



CONNECTING SATISFACTION WITH NEXT-GENERATION FIELD SERVICE TECHNOLOGIES

HOW COMPANIES MANAGE SERVICE OPERATIONS TO
DELIVER ON CUSTOMER AND EMPLOYEE EXPECTATIONS

A 2017 Field Service USA Report | *featuring direct insights from field service experts*





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INTRODUCTION

Field service companies are at a turning point in their history as customer and employee demand for empowerment and visibility coincides with an enormous transition of responsibilities from veteran technicians to new field service recruits. While the vast majority of these companies acknowledge that creating outcome-based business models with the help of new technologies is essential to meeting those requirements, many doubt their ability to develop these solutions sufficiently to deliver on both customer and employee demands.

In many ways, the industry has not changed. Customer satisfaction remains the most widely acknowledged KPI among these companies and their greatest pressure over the next twelve months. However, field service companies are discovering that their old models for achieving customer satisfaction are no longer sufficient. Demands for better service performance and greater visibility into processes are the source of their new, intrinsic problem.

Nonetheless, the solutions are within their reach. By leveraging new field service technologies—such as mobile applications and remote access to experts—and making incremental process improvements, these companies can both facilitate the success of their new employees and deliver on customer

expectations. This requires a holistic approach in which workforce optimization and technology adoption strategies extend to service efficiency, greater customer visibility, and greater collaboration across departments and among remote workers in the field. Although field service companies must take all of these factors into consideration—next-generation technologies, knowledge management, and enabling customer satisfaction—they are finding that each contributes to the success of the other in a smart, next-generation field service environment.

In partnership with DSI, creator of mobile-first and cloud supply chain solutions, Field Service USA conducted a study of 100 industry leaders to gauge success metrics and preparedness among field service companies. In this report, we explore:

- the connections between new technologies and customer satisfaction
- customer and employee demands for greater visibility into service processes, including requesting service, accessing service history, and both inspecting and approving work
- Internet of Things (IoT) and other methods for improving field service capabilities
- knowledge management and readiness for the next-generation of field service employees

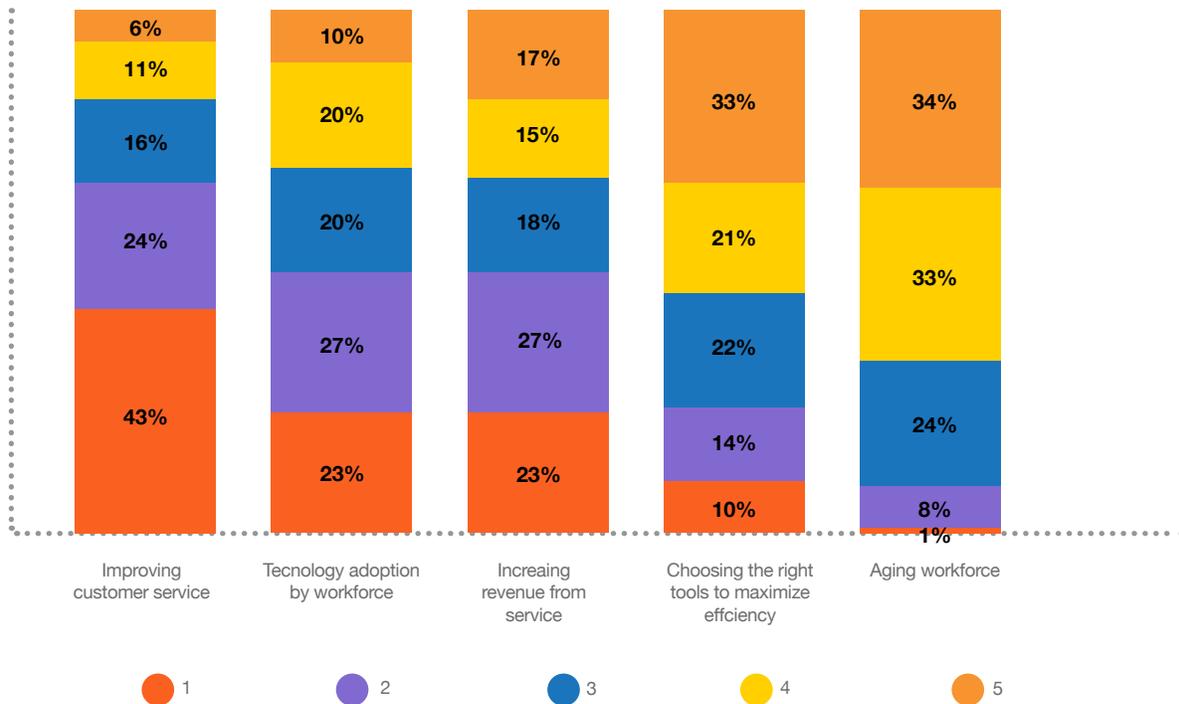
IDENTIFYING HOLISTIC FIELD SERVICE SOLUTIONS

In our study, field service companies acknowledge that successful customer service hinges on the expertise, resources, and timeliness of its technicians and staff. Among the options available, the largest group of field service companies (43%) considers improving customer service the greatest pressure facing their businesses for the next 12 months, and another 24% consider improving customer service their second-greatest pressure.

Improving customer service is the greatest pressure facing field service companies for the next 12 months. In fact, customer satisfaction is a relevant metric to more companies than any other metric in the study.

But while customer service is a top two priority for 67% of field service companies, technology adoption by their workforce—a challenge that spans generations—is the greatest or second-greatest pressure facing 50% of field service companies for the next twelve months.

Among the following options, please rank the top five pressures your business is facing for the next 12 months, where “1” is “greatest pressure” and “5” is “least greatest pressure.”



Meanwhile, driving revenue from services is an additional priority among field service companies, in no small part related to improving customer service. 54% consider choosing the right tools to maximize efficiency as their least or second-least greatest pressure, and 67% consider an aging workforce as such.

What specific challenges are you looking to overcome in 2018?

“Keeping both staff and customers happy. It is vital that our staff is happy to ensure efficient service delivery so that eventually customers are happy. But with the changing and expanding needs of customers... we certainly have a challenge.”

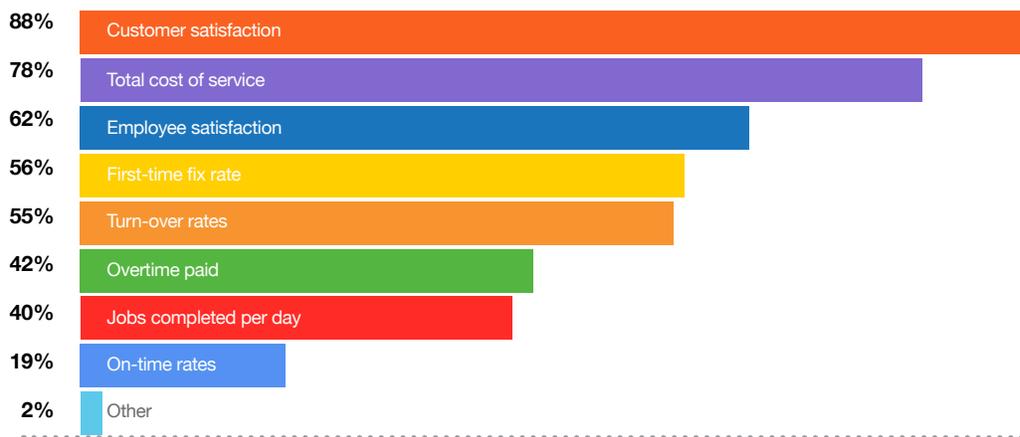
“Technology is now the real challenge. There is no clarity on the best technology; and as the technology landscape is changing all the time, it is very difficult to adjust.”

What emerges is a clear set of themes—maximizing efficiency and productivity to improve customer service and subsequently drive revenue. To this end, field service companies must take on requisite challenges associated with technology adoption and training. This applies to both existing employees and younger recruits with expectations as to what technology resources will be available to them. Preserving and improving satisfaction among both customers and employees in order to drive revenue command the greatest executive attention, where aging employees is perhaps a less direct concern.

Critical Factors for Technology Adoption

Just as customer service is the greatest pressure field service companies are facing over the next twelve months, customer satisfaction is a relevant metric among the greatest number of companies (88%) today, between eight options available. Total cost of service (78%) and employee satisfaction (62%) are also relevant to a majority of organizations.

Which of the following metrics are still relevant to your organization? Select all that apply.



Adopting new technologies can improve opportunities to meet these three related criteria directly—improve service quality, reduce costs, and improve employee satisfaction. However, field service companies face challenges in adopting new technologies on two fronts: first, incorporating new technologies into their regular workflow; and second, facilitating the success of a new generation of employees with greater familiarity—and greater expectations—in terms of technology capabilities.

What strategies are you using to manage the shift to new technologies?

“Technology is changing fast and so are the demands of our customers. We need to be able to adapt to these changes as quickly as possible and certainly ahead of our competitors.”

“Coupling technology between consigners, engineers, and staff, which will enable on-field staff to make better, informed, and agiler field decisions.”

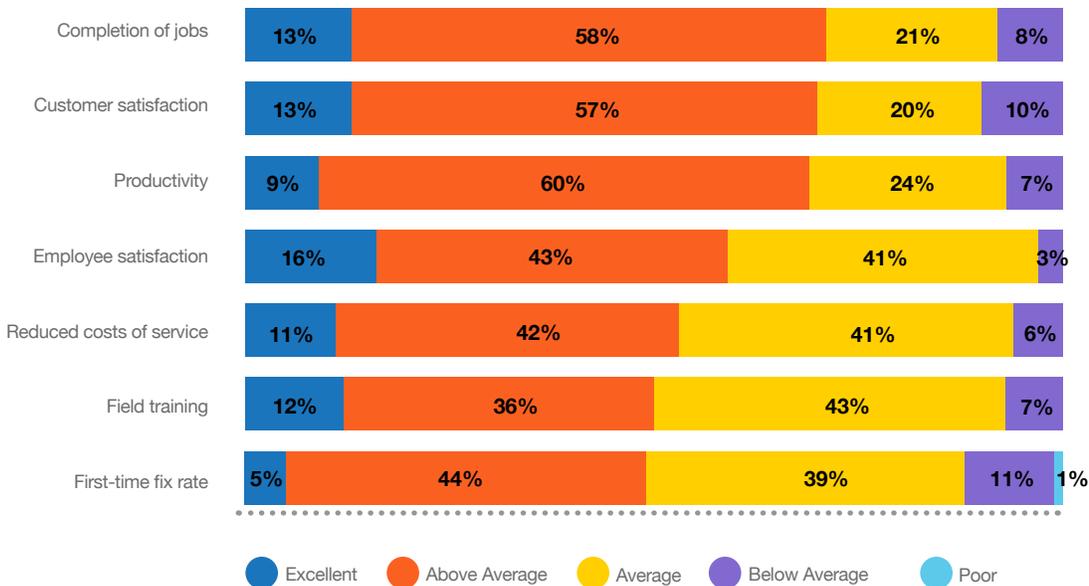
“We are increasing our spend on IT and making the most efficient use of newer services and technologies to bring better revenues.”

Smaller majorities include first-time fix rate (56%) and turn-over rates (55%). Fewer than half of field service organizations find that overtime paid (42%), jobs completed per day (40%), and on-time rates (19%) continue to be relevant metrics to their organizations. 2% of organizations claim there are other relevant metrics not listed.

Achieving Field KPIs and Customer Satisfaction

Despite these priorities, field service leaders doubt their ability to deliver on customer satisfaction because of technology restraints, and these shortcomings are directly related to technology issues among field technicians. Upon considering one important field capability—accessing inventory information—we learn that only 13% of field service companies rate their ability to access inventory information when in the field to help with customer satisfaction as excellent, while 30% rate this ability as average or below average.

How would you rate your ability to access inventory information when in the field to help with the following KPIs?



There is a clear disparity between companies in terms of employee satisfaction. Sixteen percent of companies consider their employees’ satisfaction to be excellent as a result of their ability to access inventory information. That is more than any other KPI. But for the same reason, almost half of companies (41%) consider their employees’ satisfaction to be only average or below average.

12% of field service companies consider their ability to access inventory information for the purpose of improving first-time fix rates as below average or poor, while only 5% consider their ability to be excellent. In fact, more field service companies consider this ability to be below average or poor than any other ability measured.

What measures are your FSOs accountable for?

“Participating in field problem-solving situations and customer acceptance.”

“Communicating repair plans to technicians aligned with customer quotes to ensure profitability.”

“Inventory control, merchandising, marketing, customer relations, and employee relations.”

“Providing information and informal training on technical and operational fronts.”

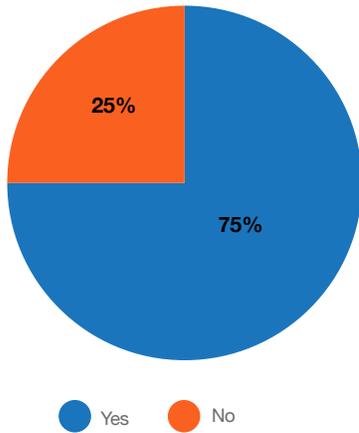
The KPIs that suffer the most among field service companies due to poor access to inventory information in the field are reduced costs of service, field training, and first-time fix rates. To reiterate, total cost of service is still a relevant metric to a majority of field service companies (78%), as are first-time fix rates (56%); but as a new workforce requires better-performing field technology and training on a range of abilities, field training becomes a greater priority among all companies, many of which are ill-equipped.

Taking on Rapidly Growing Customer Visibility Expectations

Both customers and members of the workforce demand more sophisticated technologies—for greater visibility into the field service process, as a means for validating the success of operations, or to enable better capabilities for completing services and delivering on customer expectations at the work site. In fact, customers’ demands for visibility into field service processes as they affect their business have become unprecedented. Field service companies must acknowledge this essential issue and take steps to accommodate those demands while equipping workforces with the requisite skills and technologies to do so.

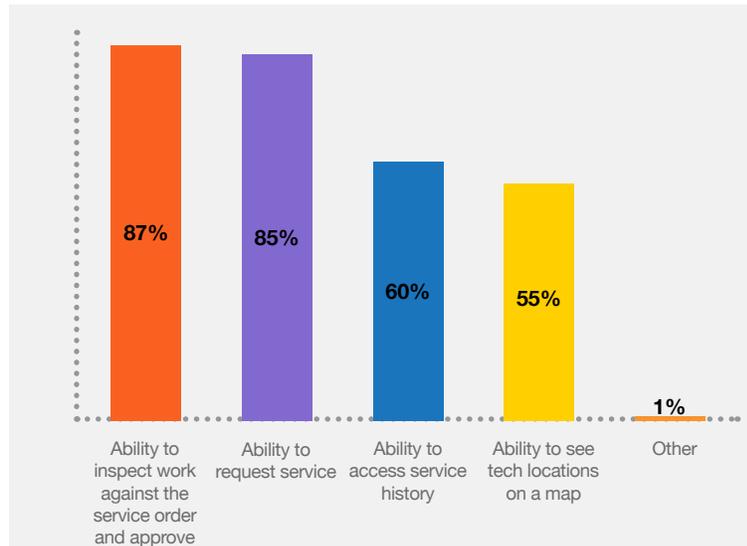


Do you find that your end customers (B2B and/or B2C) have greater expectations in terms of visibility into the process?



Already, 75% of companies find that their end customers (B2B or B2C) have greater expectations in terms of visibility into their processes. Now facing the regular scrutiny of their customers, field service companies need the capability to prefigure customer requirements and demands, then facilitate safe and efficient operations for each and every visit. Respondents to the survey who have encountered greater customer demand for visibility have already indicated what their customers' expectations are, and must develop the methods, guidelines, policies, and technology implementations to empower their workforce and deliver on those needs.

Among those who responded yes, how would you describe your end customers' expectations in terms of visibility? Select all that apply.



Among those companies who have found that their end customers have greater expectations in terms of visibility into their process, 87% find that their customers expect to be able to inspect work against service orders and approve, and 85% claim their customers expect the ability to request service as well. Each of these groups of respondents makes up a majority of not only those that answered in the positive to the previous question, but of *all* respondents to the survey—approximately 65% and 64%, respectively—meaning a majority of all field service companies experience these demands.

In each case, a majority of those field service companies who do have customers with greater visibility expectations find those customers expect the ability to access service history (60%) and the ability to see tech locations on a map (55%).

Customers with greater expectations in terms of visibility expect not one, but all measured capabilities, allowing greater visibility into the system. Additionally, a majority of all field service companies find that customers expect to be given the ability to inspect work against service orders and approve, and a majority of all companies find that customers expect the ability to request service.

Achieving specific KPIs like cost reduction, customer service, and employee satisfaction require more than investments in new technologies. Field service companies must shift the spotlight to real-time visibility and better communication between both team members and customers. As we will find, technology adoption is secondary to aligning customer interests to build long lasting relationships, as well as developing specifically designed applications that cater to all customer needs. When field service technicians can work with policies and procedures that help them achieve both customer and administrative goals, those companies will gain true perspective into which next-generation technologies will succeed.

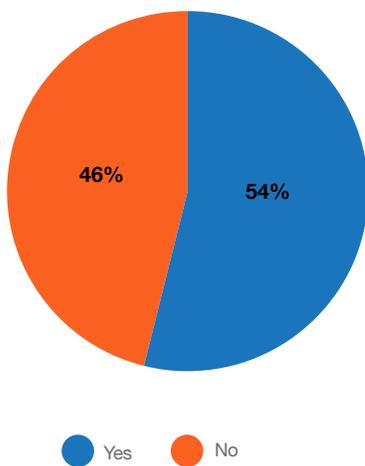


SMART TECHNOLOGIES BOOST CORE COMPETENCIES

In 2018, field service companies will launch initiatives to achieve complete visibility of service processes, proactively following up with both field service teams and customers to ensure satisfaction among both parties. This will require that companies make decisions regarding service requirements and effectively schedule field service teams with customers' prerequisites in mind. Respondents to the study claim 'schedule coherence' is a specific challenge they seek to overcome in the coming year, which includes tracking project schedules to ensure complete understanding and timely completion.

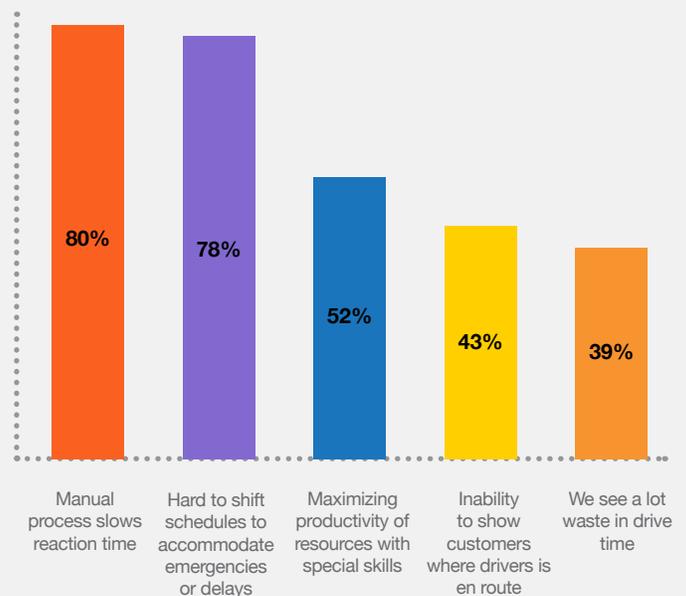
Advancements in Scheduling and Dispatching

Is scheduling and dispatching resources a challenge in your organization?



Scheduling and dispatching resources remains a persistent challenge for most field service companies. In our study, field service companies are divided in terms of whether or not they find scheduling and dispatching resources to be an obstacle: just over half of field service companies (54%) find it to be a challenge, while 46% do not. Interestingly, the key component to overcoming this challenge is better technology.

Among those who responded yes, what specific challenges do you encounter with scheduling and dispatching resources? Select all that apply.



Existing technology limitations are hurting business. Among the 54% of companies for whom scheduling and dispatching resources is a challenge, the vast majority find that their manual scheduling and dispatching processes slow reaction times (80%). Another majority of these field service companies (78%) find it is hard to shift schedules to accommodate emergencies or delays, and 43% of these companies have an inability to show customers where their driver is en route.

43% of companies who struggle with scheduling and dispatching have an inability to show customers where their driver is en route. Among companies that have customers with greater visibility expectations, 55% claim those customers expect to be able to see tech locations on a map.

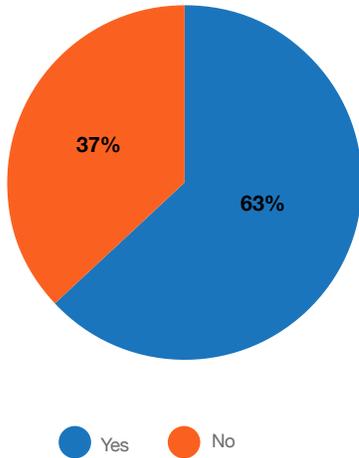
The additional major contributor to scheduling and dispatching problems is an inability to successfully dispatch and apply expertise in areas where it is most needed. Over half of this segment of field service companies (52%) struggle to maximize productivity of resources with special skills due to difficulties with scheduling and dispatching resources. 39% of companies who have difficulties with scheduling and dispatching resources experience a great deal of waste in drive times as well.

The combined lack of technological capabilities and the resulting misplacement of skills present another area in which multiple field service capabilities are related. The ultimate shortcoming is with flexibility where the unique needs of end customers cannot be met due to procedural and technological restraints. Consequently, many field service companies are adopting next-generation technologies that best deliver on the needs of their customers and employees—while others continue to lag behind.

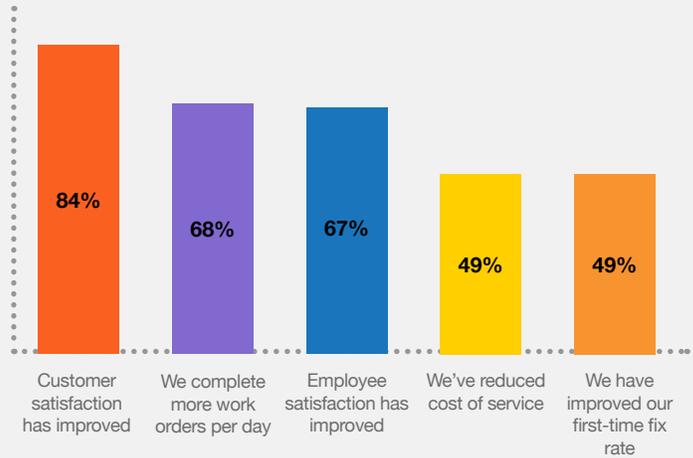


Mobile Apps Successfully Facilitate Field Work

Do you use mobile applications to facilitate work in the field?



Among those who responded yes, what benefits do you see from using mobile applications to facilitate work in the field? Select all that apply.



A majority of companies (63%) use mobile applications to facilitate work in the field, which has driven customer satisfaction for 84% of those companies (approximately 53% of all companies surveyed)—the most popular benefit of using mobile applications to be measured. Companies also cite completion of more work orders (68% of companies using mobile) and employee satisfaction (67% of companies using mobile)—the latter of which may be related to new workers' demands for better field technologies and better resources for performing their jobs.

Almost half of these field services companies (49%) have reduced their cost of service as a result of using mobile applications to facilitate work in the field, and another 49% have improved their first-time fix rate in this way.

The rate at which mobile technology is developing is having an effect on the overall strategies within service organizations. Even larger companies with the means to implement sophisticated solutions are falling short due to an inability to break from existing systems of training, management, and technology applications. As companies increasingly prioritize mobile within their strategies, they are realizing new degrees of flexibility and responsiveness to customer needs. But field service companies cannot rely on technology rollouts to their technicians to remain up-to-date for more than one or two years. As these companies adopt younger workers who are more open to a wide variety of mobile technologies and IT support mediums, they must take advantage of that availability by considering additional advances into artificial intelligence, automation, and—in the case of this study—Internet of Things (IoT).

IoT Is In Motion for Some, Still a Dream for Others

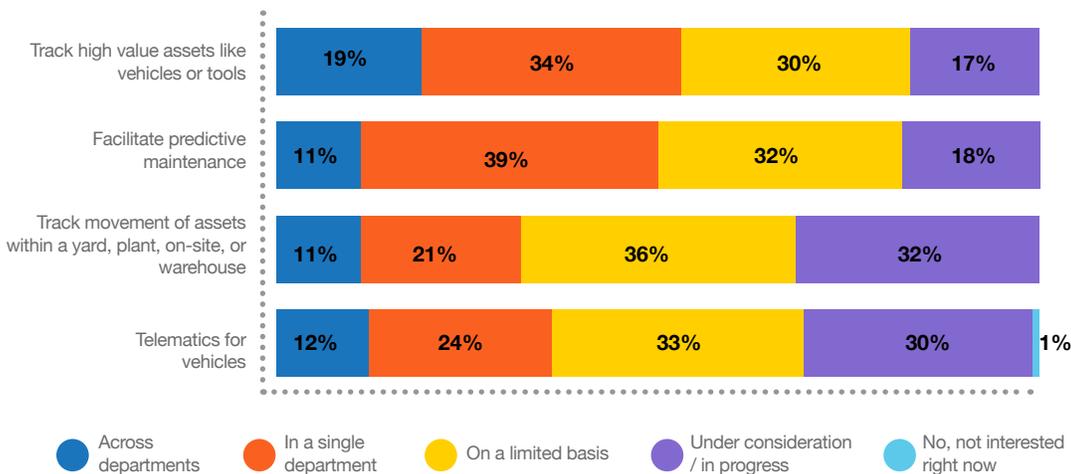
When implemented properly, IoT helps improve essential field service functions, but the degree to which companies must invest for success is a hold-up for many of them. For some, IoT is revolutionizing their business as they make substantial investments to bring technology to their service teams and customers. They are adopting new technologies to support their IoT model and are building pipeline resources using data analytics capabilities to manage IoT.

Still, some companies are cautious about adopting an IoT strategy. Most companies that are slow to IoT technologies find themselves in the early phase of adoption, either considering ways in which to build out IoT capabilities or investigating opportunities to build staff capabilities in-house. Other organizations are turning to third parties to manage their IoT initiatives.

“There is still lot of ambiguity around IoT and its actual effectiveness. We do not want to be rapid at it and risk failure; we want to be slow and steady so that we understand and implement with complete knowledge for success.”

“We are not yet very confident of the IoT concept and are thus first having a complete understanding of the technology and its influence before going for it in larger scale.”

Have you adopted the following IoT capabilities, and to what extent?



Those companies who have adopted IoT capabilities have already discovered they help with essential field service functions, piquing the interest of even wary field service companies still considering its advantages.

With regard to three essential IoT capabilities, 100% of field service organizations are either considering their adoption or have already adopted them. The only exception is telematics for vehicles, in which case 1% are not interested at the present time.

Most notably, half or more field service companies are already using IoT to either track high value assets like vehicles or tools (53%) or facilitate predictive maintenance (50%) in a single department or across departments—two key areas for improvement in terms of servicing customers. Most field service companies have adopted IoT capabilities for telematics for vehicles (69%) and tracking movement of assets within a yard, plant, on-site, or warehouse (68%) on at least a limited basis.

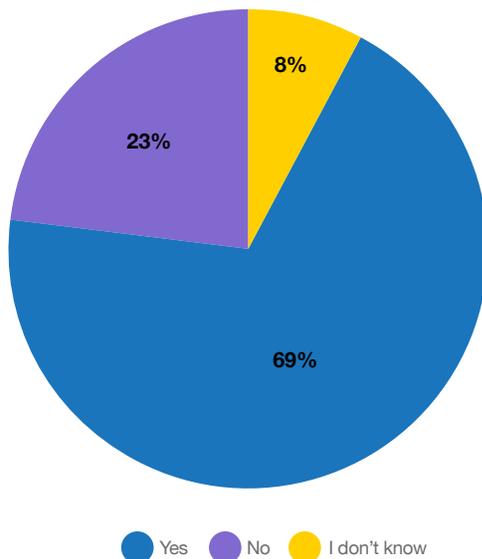
Among those companies still in the IoT planning phase (rather than investment), many cite a limited exposure to IoT capabilities, a desire to identify the specific capabilities to implement, and a need to align new IoT technologies with traditional lines of business. Identifying where new technologies fit within existing environments—and enhancing the capabilities of technicians and staff—is a consistent theme among field service companies.

BUILDING NEXT-GENERATION SERVICE TEAMS

Almost one-quarter of companies (23%) feel they are not meeting the next generations' expectations in terms of technology in the workplace, and an additional 8% do not know whether they are meeting those expectations.

Today, veteran field service employees on whom companies have relied for decades are retiring, transferring their responsibilities to younger workforces. This includes Millennials, for whom digital technologies are considered second nature, but for whom industry best practices honed over years of work by older generations are understandably lacking. Fortunately, most field service companies (69%) are confident they are meeting the next-generation's expectations in terms of technology in the workplace.

Are you meeting the next-generation's expectations in terms of technology in the workplace?

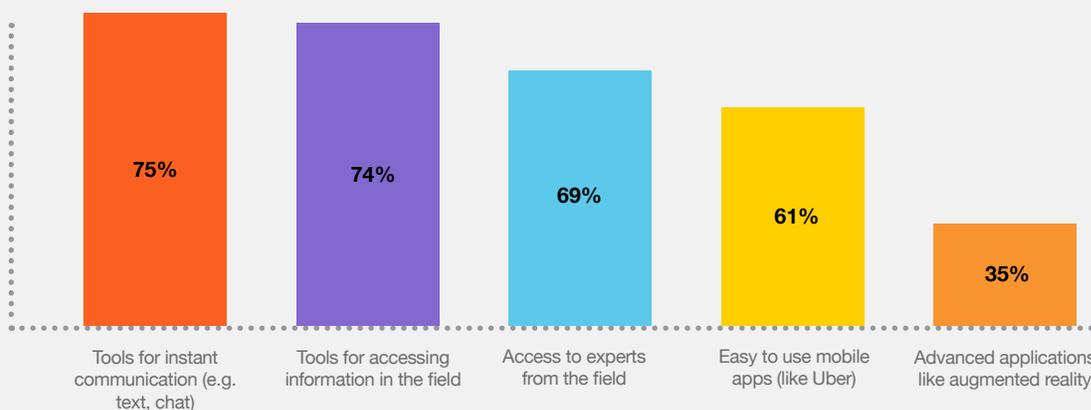


However, almost one quarter of companies (23%) feel they are not meeting those expectations. In context, this figure might be misleading. One-quarter of field service companies is not a majority, but since it represents companies' preparedness for an entirely new workforce, it is nonetheless a substantial number of companies who are unprepared.

Twenty years ago, one wonders, would this number be so high?

Although most field service companies (69%) are confident they are meeting the next-generation's expectations in terms of technology in the workplace, all companies have found that their young employees have high demands for a wide range of technology solutions. Consequently, field service companies face both inherent challenges and incredible opportunities in equipping the next workforce for success.

What technologies does your next-generation workforce favor or desire? Select all that apply.



In considering these factors, three focus areas emerge from our research:

1. Enable novice technicians to collaborate and access information in real time.

The majority of field service companies in the study found that new field service workers expect tools for instant communication, such as text and chat (75%), and tools for accessing information in the field (74%).

Companies can leverage connected technicians to meet customers' expectations for greater visibility, access to expertise, and faster job completion.

2. Connect novices with experts with effective knowledge management solutions.

Transferring knowledge is a pressing and immediate challenge for field service companies. Fortunately, it needn't take place in only a passive setting. 69% of next-generation workers desire digital access to experts while in the field, inviting new methods for knowledge management and passing down expertise—even remotely, in real time—to provide the best possible service to customers.

3. Make superior tools, services, and customer-oriented applications a part of technicians' digital environment.

Those 61% of field service companies who acknowledge their next-generation workforce desires easy-to-use mobile apps can expedite benefits to customers using specialized mobile applications, allowing greater opportunities for improving both customer and employee satisfaction. This includes apps for special services as well as benefits such as instant access to experts—all of which can speed up and improve service processes.

The fact that the majority of field service companies believe they are meeting the next-generation's expectations in terms of technology in the workplace indicates most are making progress in at least one of these key areas. However, those respondents who felt their companies are not meeting those expectations face two problems: the first, falling behind competitors who take advantage of unique attributes among their new workers, and the second, experiencing complications integrating a new generation into their established but outmoded systems and processes. Regardless of their willingness to adopt new technologies, the degree to which field service companies connect new employees to their veterans will be a determinate factor in their success.

CONCLUSION

“We are in a very competitive market where new technologies are causing disruption. Adapting to these technologies and meeting customer expectations is the challenge we need to overcome.”

There are two sides to field service companies’ objectives entering 2018, both of which are directly affected by technology implementation. On one side, these companies face challenges in terms of driving customer satisfaction with greater visibility into their processes and services; on the other, they must increase employee satisfaction—enabling them to do their job effectively with the next-generation tools that empower them. To that end, service organizations must capture the knowledge of experienced technicians and make it available to new employees in real time, provide service information at the technician’s fingertips, and enable tracking of vehicles, tech, and other tools; all of which will improve modern services and help field service companies excel.



AUTHORS



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