



# A Collaborative Approach to Solving Customer Problems

## The Field Service Leader's Agenda for 2018

Today's field service challenges can no longer be solved with siloed thinking. Customers are demanding a better field service experience and field service leaders no longer have the resources or the expertise to provide these experiences within the limited walls of the field service organization. To address these challenges, field service leaders need the support of other business functions such as sales, IT, HR, and product management. As data overtakes manual labor as the most valuable resource in field service management, cross-organization relationships that allow for the creation, sharing, and usage of data become extremely vital. The data-driven field service organization, promised for the future, must take shape now.

### INCREASED DEMAND, REDUCED SUPPLY

The external pressures facing the field leader are very similar to those facing the overall service business leader. These constraints are well documented in The Service Council's 2018 Service Leader's Agenda report. Customers are demanding a better service experience from their service providers, and "better" is typically represented by faster response times, increased access to information, and greater convenience. Customers also expect their service providers to be the actual source of guidance and information instead of the other way around – where the customer is responsible for diagnosing the service issue and telling the service organization what needs to be done. Consumerization is a popular term when it comes to transformation of customer expectations, and consumerized expectations have certainly impacted field service. More so, customers are driven by the technology available to them and want service providers to take advantage of this technology to open channels of information and communication that increase the ease and effectiveness of the service interaction.

From a service leader's point of view, changing customer expectations should be a good thing. While there is an increased chance of failure if the experience doesn't match the customer needs, there is also a greater opportunity to provide a differentiated experience. A differentiated experience can often reap improved customer loyalty, an expanded share of wallet, and customer

### Key Takeaways

Of participating field service leaders:

- 49% are focused on cross-organization collaboration as a major initiative for 2018
- 58% see changing customer expectations as their major market challenge
- 51% are challenged by the capabilities of their current IT infrastructure
- 61% expect an increased investment in field service technology in 2018
- 53% rate first-time fix as their top metric for 2018

### About the Project

In January 2018, The Service Council (TSC) polled field service business leaders to understand their key focus areas for 2018. Of the participating leaders:

- 43% came from large organizations (\$500m+ in annual revenue)
- 31% came from mid-size organizations (\$50m-\$500m in annual revenue)
- 62% represented North America as a service region
- 18% represented service operations globally
- 23% represented Medical Devices and Services
- 27% represented Industrial Manufacturing

advocacy that lowers the cost of future sales. And for those field service leaders who are willing to ask, customers are more than happy to share their ideas and feedback.

To address customer needs, field service leaders no longer have the luxury of hiring more field service agents to ensure better response and resolution. Even if the resources were available, this path becomes quite expensive. However, in more and more industries, there is not a dearth of field service talent available to hire in order to meet service demand. Experienced field service talent remains expensive, and more inexperienced talent requires the investment in the form of training and knowledge. Therefore, field service leaders must begin to rely on other resources to improve their efficiency, effectiveness, and ability to deliver on the desired customer experience. This is where data becomes a vital resource and relationships with groups who enable better data or who support action based on data become incredibly important.

## OPENING THE DOORS

As seen in Figure 1, field organizations struggle in getting the right data for:

- Field service-focused decision-making
- Broader decision-making that impacts the field service organization

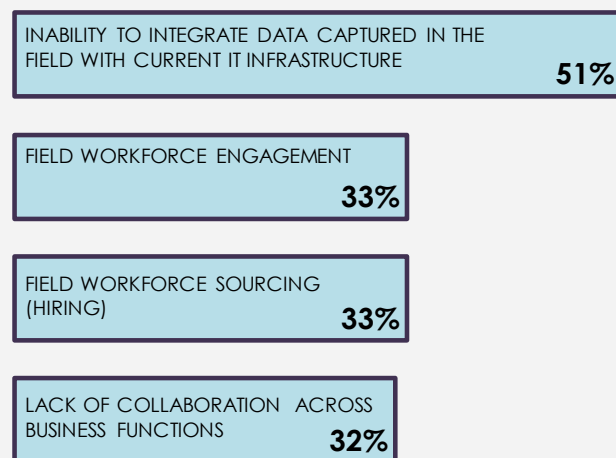
The struggle exists partly due to the siloed technology infrastructure that supports field service and other customer operations. When service systems were put in place, they were done so with differing expectations for field service. Now, there is a greater demand on having richer and more consequential data available at all nodes of the field service organization, and this demand cannot be met with the current technology infrastructure. Field service leaders need the right data to plan their business operations. Managers need a view into the performance of their teams to determine short-term resource or support needs. Dispatchers need insight into work and technician attributes in order to make correct service decisions. And field service technicians need access to customer, part, and resolution data in order to meet the needs of the customer-centric service organization.

In a 2016 survey, field service technicians prioritized the following areas of information that would be beneficial for them to get work done:

## Engagement of Field Service Staff

In 2015 research on field service workforce management, only 50% of organizations indicated that they were currently measuring the employee engagement of their field service workforce.

**Figure 1: Internal Challenges Faced by the Field Service Leader**



Source: TSC Data Q1 2018

While engagement programs have matured and become more popular, we still find that nearly 40% of field service organizations do not even have basic engagement surveys in place. And this general lack of focus on engagement is being felt at the technician level. In a 2018 survey of 550 field service engineers, we found:

- 63% indicate that their companies are interested in collecting feedback
- 51% believe that employee engagement is an important issue for their company
- 44% believe that their company cares about personal development
- 42% state their company directly addresses personal concerns or feedback

1. Access to service manuals and a knowledge base
2. Visibility into spare parts inventory
3. Ability to order spare parts in the field
4. Access into customer history prior to onsite engagement

The data that we speak about in the above examples is tied to the day-to-day aspect of getting work done. There is another more strategic form of data that is necessary for service and other business leaders to support the development of future strategy. At the core, most business leaders want to move into the realm of smart connected products. These products have significant implications for the performance of the service organization. Better performance data pulled directly from the product can drive an improved service experience – one that benefits both the service provider and the customer. In addition to enabling the service organization to become more predictive and proactive, smart connected products also allow for the service organization to remove unnecessary field dispatches via

- Dispatch elimination through remote resolves, guided service or self-service
- Improved first-time fix via better issue diagnosis

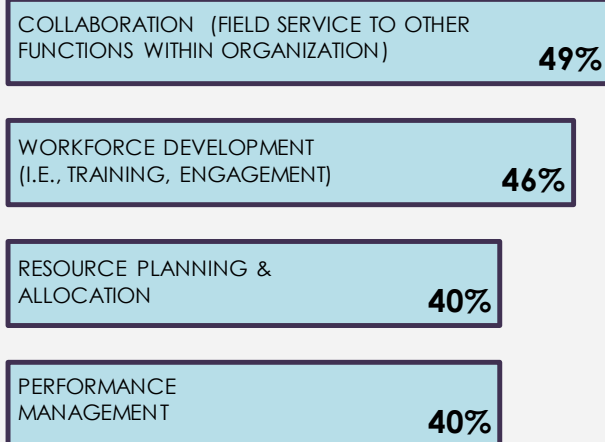
The removal of avoidable field dispatches or field service visits is seen as a major initiative to help service organizations balance their workforce capacity challenges. In our 2018 survey of field service leaders, more than one half indicate that they expect to see an increase in instances where service visits are avoided by remote service. Nearly 60% indicate that they expect to see a 12-month increase in instances where service visits are avoided by self-service or assisted service interactions.

To get to smart connected products, the service organization first needs to strengthen its relationship with IT and product design or engineering. These groups need to understand the business impact of smart, connected products and need to take the necessary steps to ensure that connectivity is built into future iterations of products under development. Work with IT is also needed to ensure that customers are made aware of the technical and security implications of connected products, which will help to ensure better customer acceptance.

### Focus Areas for 2018

The top four metrics of success for field service leaders in 2018 are 1) First-time fix rate, 2) Service Revenue, 3) Response time, and 4) Customer Satisfaction. These metrics are consistent with those seen in the past and reflect the inclusion of financial and customer-facing metrics in the field service scorecard.

**Figure 2: Top Field Service Initiatives for 2018**



Source: TSC Data Q1 2018

In addition to the major focus areas identified above, field service leaders also expect to see an increase in:

- Investment in technology for field service operations (62% of respondents)
- Wages for field service managers (61% of respondents)
- Wages for front-line personnel (60% of respondents)
- Hiring for field service roles (53% of respondents)



# The Field Service Leader's Agenda for 2018

The next wave of partnerships need to be forged with sales and marketing. These teams are vital in communicating the value of a smart connected products to customers. In our estimation, the ability of service sales and marketing to get customers to connect their products will play a central role in the success of service organizations moving forward. While the acceptance of connected products might take a varying amount of time in certain industries, it will eventually occur, and those service providers who have the lead in establishing connectivity will be advantageously positioned to offer differentiated value to their customers. Strong sales and marketing relationships are also necessary in a customer-centric organization to ensure that there is clarity on what currently needs to be delivered to the customer, as well as what should be made available to the customer in the future.

Finally, we would recommend a closer data-driven relationship between service and key human resource partners who support hiring, learning & development, and employer branding. The plan to meet the current and future labor needs of the field service organization must be developed in collaboration to balance work needs with labor capacity. Capacity is impacted by the quantity of in-house or partner-based available talent, but also by the level of knowledge and expertise that can be acquired with the aid of investments in training, technology solutions, or both. Human resource partners are also essential in supporting mentorship, succession planning, and employee engagement programs that are becoming differentiators in the battle for field service talent.

## SUMMARY

To foster better collaboration across the organization, it does make sense to have dedicated resources and analysts in place who can understand the business vision and translate that vision into specific data-based needs and activities. These data resources can work with business groups to build a hierarchy of data needs along with the steps that need to be taken to ensure that the appropriate data and insight is available for active decision-making. The development of this team might be seen as an avoidable expense on the surface, but it is an investment that organizations need to make to ensure a more collaborative approach to the customer. With data in hand, business leaders then need to take on the task of transforming the culture of the organization in order to weed out the siloed mindset of the past.

Data resources can also assist field service leaders in delivering on 5-year business objectives:

1. Service innovation (technology, offerings)
2. Predictive service
3. Resource planning and allocation
4. Workforce development

In stepping away from day-to-day operations, service leaders are looking to ensure the sustainability of their field service businesses in the face of major technological and customer-driven upheaval.

Sumair Dutta is the Chief Customer Officer for The Service Council. He writes on topics of service strategy, customer support, emerging technologies, and field service. Email at [sd@servicecouncil.com](mailto:sd@servicecouncil.com) or follow on Twitter using the handle [@sumair](https://twitter.com/sumair).