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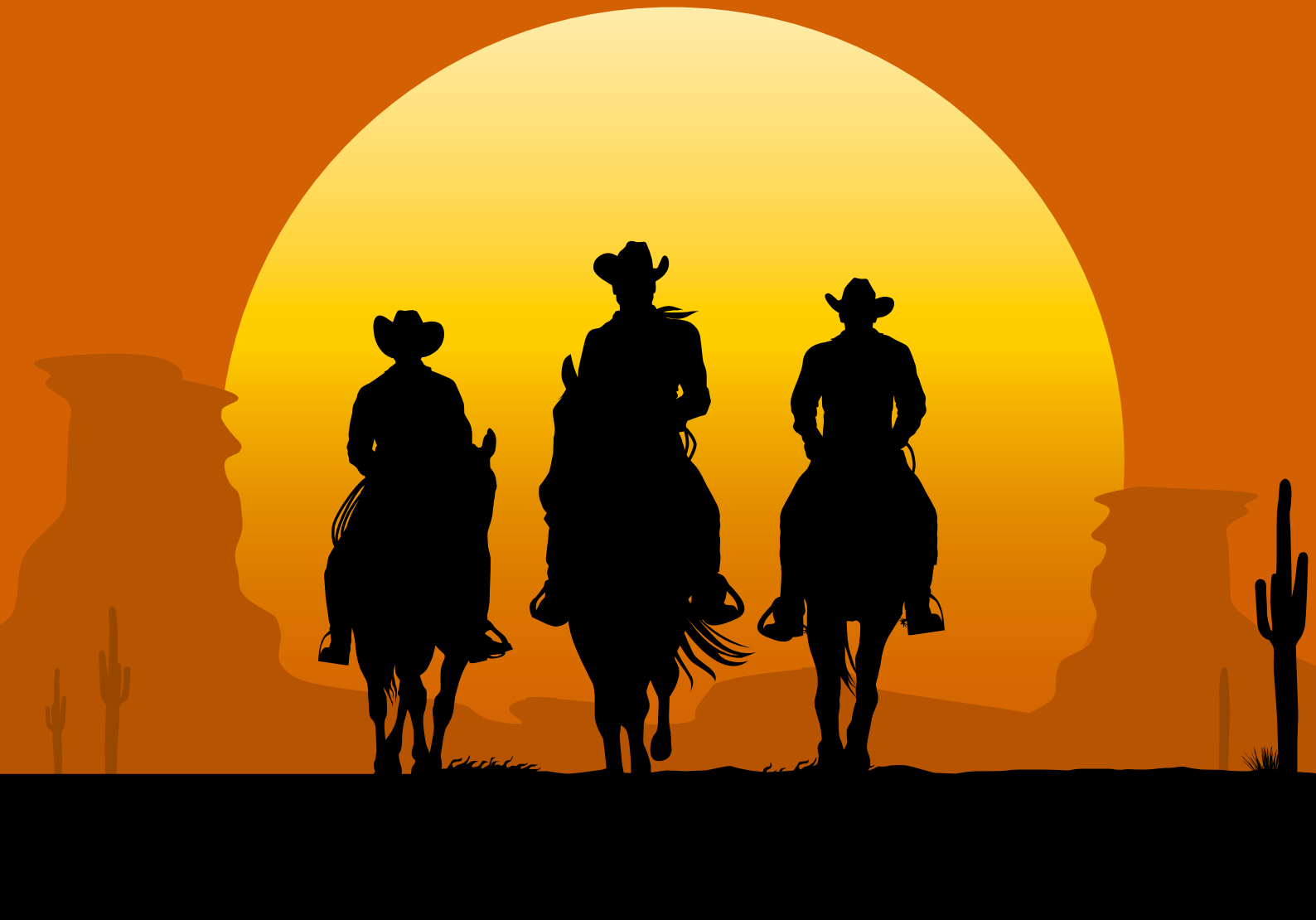
A BUNCH OF COWBOYS?

Our exclusive research highlights some worrying trends in field service standards, but hold on partners as there may just be some good news just over the horizon...



THE GOOD

77% of companies are hitting the KPI's they set for their field workers

COST is the least common customer complaint amongst field service companies

Companies using FSM technology are nearly **THREE TIMES** more focussed on first time fix rates

THE BAD

POOR communications is the most common complaint received by field service companies

WANTED

For falling standards

Despite claims the Cloud would level the playing field service is still very much split into **THE HAVE'S AND THE HAVE NOT'S...**

less than **17%** of SMEs have any insight into what is going on in their fleet in real time

AND THE UNFORGIVEABLE

42% of companies admit staff get lost

6% of companies are still using paper dispatch

5% of companies admit mobile workers turn up at the wrong

43% of companies have had 2 workers turn up to do the same job

CAN REAL-TIME TELEMATICS SAVE US FROM THE COWBOYS?

Exclusive Field Service News research, sponsored by TomTom Telematics reveals some worrying trends in service standards...

Over the last few months' ***Field Service News*** has been conducting a research project sponsored by TomTom Telematics which aimed to explore the standards of field service companies. Are they improving or are they falling? Is it that standards as a whole are now under greater scrutiny than ever before as we all become more and more expectant on getting results as soon as we look for them now that we inhabit an age of instant information thanks to the internet?

And what about those companies that are pulling ahead of the competition and not only delivering to their customers' expectations but exceeding them and delighting them? What tools are they using to do so? What about those falling behind the pack – what are they getting so wrong?

About the research:

The research was conducted over a 2-month period in which we contacted members of the ***Field Service News*** online subscription as well as using the reach of ***Field Service News*** throughout the social media channels. In total their were 291 respondents.

We had respondents from a wide range of companies of differing size from those with less than 10 mobile workers through to those with over 2,500. Our respondents also came from a diverse collection of industries including Manufacturing, Retail, Healthcare, Transport and Local Government amongst many others.

The types of technology being used:

To establish whether field service standards are falling, improving or just staying static, an important starting point is to explore how significantly some of the technology, which is designed to make life easier for field engineers, is actually being applied. Would we see a dramatic difference in standards between those who are using the latest field service technologies and those that are not?

To give us some understanding of the type of technologies that were used we asked our respondents to let us know if they were using 'real-time telematics when creating work schedules', 'dynamic scheduling and planning', and 'intelligent scheduling around emergency call outs'.

On top of this we also asked how they inform drivers of their jobs and work schedules and whether they offered job-tracking functionality to their customers.

> "Amongst the smallest organisations this comes down to just 17% of companies actually using intelligent scheduling"

So first up lets take a look at who's using what in field service industries...

Real-time telematics data:
In fact it was a completely even 50:50 split of companies who are and are not using telematics data.

We do see a bigger trend shift when we look just at those companies in the extremes of both brackets in terms of company size. Of those companies with 500 or more field engineers 84% of companies using telematics data. This is in stark contrast to those companies that had 50 field workers or less. Here the number of companies using telematics data in real time is just 17%.

Dynamic Scheduling:
At first glance it seems a similar situation with dynamic scheduling also. Of the group as a whole 56% of companies were using some dynamic scheduling. Again looking at the outliers, amongst those companies with 50 engineers or less this figure dips dramatically to just under a quarter of companies (24%). Similarly again as we focus on the larger companies this figure once more leaps to an incredible 89%. Again it seems that those companies with larger workforces are taking more advantage of the tools that are available.

Intelligent Scheduling around emergency call outs:
Given the trends above it would be a safe bet to assume that we would see similar trends in this area also with the largest organisations predominantly using such tools whilst the smaller companies are either able to cope without out or as yet to see the benefits of the approach. Again starting with the group as a whole we see a very marginal majority of companies using intelligent scheduling around emergency call outs with 54% of companies surveyed using them.

Again amongst the smallest organisations this comes down to just 17% of companies actually using intelligent scheduling. However, unlike the previous two options (dynamic scheduling and use of real-time data) we see slightly less of a significant leap in those using it amongst larger organisations. In fact 63% of companies with a large mobile workforce are using intelligent scheduling. Still a considerable majority but not as exaggerated as in the previous two examples.

The haves and the have nots:

Before we move forward lets take a moment to stop and consider the reasons for the wide gap between the large and small in terms of the technology they are using. One possible argument that could support the statistics are that perhaps smaller companies may not need such sophisticated methods to maintain the standards they deliver. This is of course will be proven one way or the other later in this report as we look at the varying levels of standards that are apparent amongst companies of all sizes.

This certainly could hold true when we look at both dynamic and intelligent scheduling. As we have looked at before in a number of features there are many levels of scheduling systems available with dynamic and intelligent systems being both the most complicated and the most costly. However, for a small organisation sometimes these types of systems can be impractical as the effort in establishing the correct rules and data logic in place to get the desired results can sometimes be counter productive for a small organisation where a simpler 'assisted scheduling' solution would be more suited to their needs.

This logic in some part could also explain the reason why fewer larger companies are using intelligent scheduling, as it is perhaps the most sophisticated form of scheduling engine available currently, so perhaps even prohibitive for larger organisations who are able to operate with just a dynamic system in place?

However, where this theory does fall down is in the discrepancy when we look at the use of real time data. Whilst there are certainly existing arguments about which types of scheduling systems suit companies of varying sizes there can be no doubt that the ability to track driver and field engineer data in real time can only be a positive for a company regardless of size, both in terms of their own internal efficiency as well as the level of service they can deliver?

Again as we progress through this report we will uncover the truth to this supposition, as with the number of companies offering telematics solutions, the availability of such solutions is high while the costs are reasonably low. If the evidence supports the theory that such tools will help improve service delivery then it will be hard to see an argument for smaller companies not taking this step at the least.

Talking to the field:

Whilst the three above options are important for gathering information from the field and reacting to it. The flipside of a modern field service management solution is how we communicate information back into the field. This is perhaps the most important element of an overall solution to get right as if done well it can not only improve your companies efficiency and increase your service standards but also make your field workers lives easier.

We asked our respondents "How do you inform your drivers of jobs and work schedules?" Giving the options of "Phone", "Text", "Paper dispatch note" "Via in Cab navigation" and "via App".

Paper dispatch:

As a starting point lets look at paper dispatch notes. Of the options given this is probably the most arduous means of delivering a work schedule for many reasons. Firstly it is dependent on your field workers arriving at a central depot or office to collect their orders for the day. A waste of time and fuel for everyone involved, and from the field workers point of view an additional hassle at the beginning of the day when they could be starting their first job.

Secondly, paper based work schedules are out of date from the moment they are printed. Such a system has no option for the quick reactive response that you desire when an emergency call comes in that must become your clear priority. Fortunately only 6% of companies are still operating in this manner.

The majority (68%) of these companies still using paper based dispatch are as one would imagine in the smallest bracket of companies, although examples of companies still using such a system are to be found right up to the 151 – 300 field engineers bracket. Given that their work schedule is largely static, and it is therefore hard for these companies to react to either emergency call outs or delays either on job or non transit, it is of very little surprise that we see that the most common complaint these companies receive from their customers is missing time slots which 40% of companies cite.

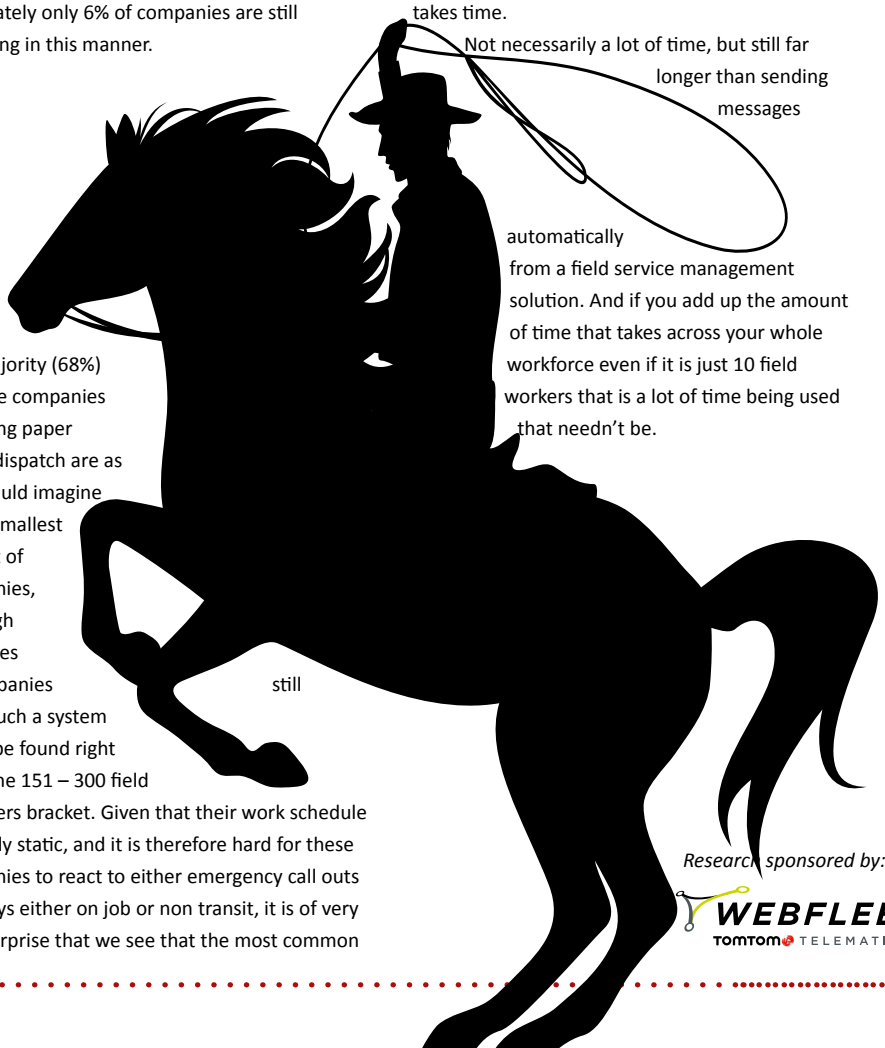
Text & Via App:

The most common way of companies to notify their workers of their job schedules is by Text. This is sensible as SMS is a relatively cheap, instant means of communicating and 41% of companies use this method. It could well be that this method will ultimately be replaced by "Via App" so communication becomes part of the wider ecosystem of the companies mobile workforce management program. This is of course ideal as it allows for both additional layers of information to be included, for example the details of the last call out, even photos etc., as well as easy navigation through to other systems. Currently however only 17% of companies are using Via App to communicate to their mobile workers.

It's good to talk...

However, there are a huge amount of companies (34%) that are still using the phone to communicate work schedules. This does have it's positives in that it can be flexible and you can update the work schedule on the fly according to how the day is progressing however, there are a number of distinct drawbacks. Firstly there is the issue of wasting resource. Talking on the phone takes time.

Not necessarily a lot of time, but still far longer than sending messages automatically from a field service management solution. And if you add up the amount of time that takes across your whole workforce even if it is just 10 field workers that is a lot of time being used that needn't be.



Then there is also the issue of driver safety. Yes there are a number of solutions available to allow for hands free communication, however studies from road safety charity BRAKE! Show that even hands free calls can be dangerous claiming an incredible 98% of motorists were unable to divide their time without it affecting their driving ability.

In cab nav:
It is interesting to see how few companies are using in cab navigation systems to communicate with their field workers. Only 2% of those surveyed are actually using this method. One reason for this may well be the proliferation of smart phones and or tablets now being used as primary mobile devices for field workers.

Indeed there is an evolving movement towards being able to use one device per vehicle such as TomTom Telematics own PRO series of ruggedised tablets, which through the use of open API architecture can provide full access to a whole range of field service and fleet management tools. As devices like this become more prevalent then having both a standalone in cab navigation devices and another device to run your field service software on simply becomes unnecessary.

So what about the standards?

We touched earlier on the most common complaints our respondents received from their customers, citing that of those companies using paper based dispatch notes the most common complaint by a long way (40%) was the availability of time slots.

In an interview with ***Field Service News***, Giles Margerison, Director of TomTom Telematics highlighted the need for more flexible time slots commenting: "We as consumers have adjusted our requirements to the service industry, it used to be that we would expect to have a service delivery within a day, now really we expect a one or two hour appointment window. That represents a huge challenge for the industry"

The findings of our research would also appear to back this up also as time slots was the joint second largest complaint for companies with 23% of the full respondent group citing this as the most common complaint.

Interestingly this figure comes down to just 11% when we look at the largest companies. This would indicate that the largest companies have the resources in places to accommodate more efficient systems, which allow for tighter time slots.

Getting the basics wrong?

However, the most commonly cited reason for customer complaints was actually communication which was the most common complaint for 28% of companies.

Given that there are a proliferation of means for companies to communicate with their customers this really is an area that should and could be significantly improved yet seems to be being neglected. In a piece of research undertaken by ***Field Service News*** earlier this year we looked at the types of communication field service companies were using.

That research revealed that whilst the 82% offered a call centre, and 62% offered email communication less than a third of companies (32%) offered online service and just 6% offered access via an app.

> "Quite simply poor communication between ourselves and our customers should not be tolerated and this should be a key area of concern"

This is completely at odds with where the industry needs to be. As Margerison alludes to – our expectations as consumers have changed. We live in an age where we are used to having instant access to information we need on demand. Whilst call centres and email certainly have their place, they are both slow processes when compared to web-based self-service options or online chat portals.

When we consider that we all work in service industries, whether it be manufacturing or medical devices, whether we visit opticians or oilrigs our core goal should always be delivering good service, and doing it efficiently.

Quite simply poor communication between ourselves and our customers should not be tolerated and this should be a key area of concern for many.

The good news is of course those companies that investigate this within their own organisations and remedy issues around communications will very quickly be able to take a step ahead of their competitors.

In line with poor communication is poor response times, which was joint second most common complaint cited by 23% of companies. Again this is an issue that sits well with the notion that we as consumers are becoming less patient with service providers.

Cost is less of a concern than bad service

What is of particular interest is that the least common complaint is the time charged and invoiced which was a major issue for just 13% of companies.

This would seem to suggest that most customers are happy to pay a fair price in exchange for good service, but the expected standard for service is rising as customers rightly demand the same type of service that they get from the field service companies they deal with as they do from other organisations they use in their daily lives such as Amazon.

And as we start to look further down into the research we can see even further evidence of simple mistakes being made on an alarmingly regular basis.

For example almost half (42%) of all companies stated that they have mobile workers turn up at the wrong address whilst 5% stated this happens on a weekly basis! In a world where Sat Nav's and routing software are widely used this is almost beyond comprehension.

Perhaps even more incredibly is that when we asked our respondents if they had ever experienced two mobile workers turning up at the same job again almost half of companies (43%) stated this had happened. This is also apparent amongst companies of all sizes, even amongst those at enterprise level almost a third (28%) admitted to two workers turning up at the same time and a similar amount (33%) suffered mobile workers turning up at the wrong address on a monthly basis.

However, if we look at those using technology to improve their service standards we fortunately see improvements so all is not lost! The amount of companies that have a monthly address issue falls to just 13% with thankfully no weekly mishaps!

Also the total of companies that never have this issue rises to 46%, which is 18% higher than the general average.

So it is clear that there is a distinct advantage for those using the technology available to them.

Measuring field worker productivity

So if we were to put together a report card for how

Want to hear more from TomTom Telematics Giles Margerison? Scan the QR code to see our exclusive video interview...

our customers view service standards amongst field service companies then we would be looking at a 'could do better' for the field service industries as a whole. However what about the way we measure our own field workers productivity?

We asked our respondents to identify their main KPIs that they set for their field workers given them the options of "number of calls attended", "number of jobs completed", "number of first time fix rates", and "sales/leads generated".

It seems that when it comes to marking our own performances the field service industries are somewhat more forgiving than our customers with over three quarters of companies (77%) stating that they are generally meeting these KPIs. There is clearly a disconnect between the two realities which needs to be addressed.

Are we setting the right KPI's

Lets take a look at these KPIs in a little further detail.

The most common KPI was number of jobs completed, which was cited by over half (54%) of our respondent companies. The importance of ensuring that wherever possible jobs are completed is of clear business benefit; especially if we understand that each additional call is going to not only cause our company additional cost but also add further frustration and potentially lost revenue for our customers. Therefore it is good to see that so many companies value this is as a KPI.

Number of calls attended however, is less of an efficient measure, almost simply a tick box exercise. This is reflected in the fact that far fewer companies, in fact just 13% utilise this as a measure of their employees productivity. Whilst the field workers themselves may work hard to reach their daily rota of allocated calls, if they are not completing the jobs then all that hard work may as well count for nothing.

It is absolutely vital that we empower our field engineers to be able to complete as many jobs as possible. Again the technology is there to improve these odds, systems that enable knowledge sharing, or access to parts inventory, or intelligently scheduling the right worker, with the right skill set required for the job are all widely available from a number of providers such as TomTom Telematics and these really massively improve your productivity levels.

Getting it right, first time.

This leads us on to the where many think the focus of the next generation of field service management will lay. Namely focussing on first time fix rates. Currently only 16% of companies set this as a KPI. In some ways this is a reflection of the current reality, first time fix rates are always desirable but rarely achievable. The fix may be reliant on parts not to hand, or in some cases particularly where complicated machinery or devices are involved diagnosis of the exact problem may take the full allocated time slot.

However, as we move towards a world of remote machine-to-machine diagnostics, the Internet of Things and 3D printable parts the first time fix should become less elusive and even commonplace.

Whilst these concepts may seem futuristic the reality is that they are not too far away, but even if they remain out of reach for now, ideas like improving customer communication so our customers to be part of the diagnostics process is one possible step forward and in some cases requires just a shift in thinking as to how we approach service.

It is very interesting given this that those companies who are currently embracing technology (i.e. using dynamic scheduling, intelligently responding to emergencies and use apps to communicate workloads to their field workers) have a much higher focus on first time fix rates with almost half of the companies in this bracket (47%) stating that this is their main KPI.

The lesson again seems to be that technology is allowing these companies greater productivity and as a by product improving their service standards as first time fix rates will greatly reduce the disruption to their business.

Conclusion

There are a number of interesting points that this research has thrown at us. Firstly there seems to be a big disconnect between the way we are judging the performance of our field workers, and the reality which our customers see.

When we put together the questions for this survey I genuinely felt that very few companies would have had people turning up at the wrong address, for companies whose workforce is based on the road this is surely the simplest of standards to meet, yet it seems it is not only a fairly common issue but a frequent one at that.

Similarly for so many 'service' companies to be failing when it comes to perhaps the most important element of service i.e. communication was also a major surprise. It seems that customers and their expectations have evolved rapidly in the twenty first century and many if not the majority of service companies have fallen behind those expectations.

Having a call centre is simply not enough in any industry these days. Our customers want our attention, they want it now, and they want to use their own preferred getting it whether that be phone, email, online chat or even social media. We need to move quickly to accommodate these needs, because if we don't you can be sure our competitors will.

However, all is not lost. The technology is their to help and it is no longer prohibitively costly as it was a few years ago. What's more is as the technology evolves integration between differing systems means we can work with solutions that are tailored specifically for our business. TomTom Telematics for example now have three separate API's across their solution that allows for integration with a whole raft of other providers enabling you to tailor your solution to meet your exact needs.

As Margerison commented: "There isn't one off the shelf solution, it would be wrong to try and develop that because every company has their own specific needs. What we as technology providers should do is make sure those systems integrate so customers can choose best of breed for their particular needs and we will work together for those customers."

As has been shown on a number of occasions as we have worked through the findings of this research, the technology available really can help companies keep pace with our customers growing demands as well as reduce costs and improve productivity.

If we want to improve our report card for next year perhaps we need to start looking at how we can utilise it better?