

Field Service

Automation is key to addressing market challenges



In Brief

The field service industry is under sustained market pressure to reduce the cost of maintenance and repair contracts whilst providing ever higher levels of customer service.

At a time of weak economic growth, the question is how can field service businesses respond to this challenge?

This paper examines how service delivery can be developed to address market needs by using a highly efficient automated operating model.

Where already implemented this model is delivering step changes in performance of up to 30%, and a 20% increase in service levels.

For some years facilities maintenance and repair budgets have been under sustained downward pressure. Unsurprisingly, the field service industry, which undertakes much of this work, is being asked to shoulder the burden and reduce prices.

Price is just one arm of the pincer squeezing industry profits. Clients are also looking for ever greater levels of service. Shorter response times, flexible appointments and more frequent progress reporting are just some of the items being layered onto existing contracts when they come up for review.

The good news is, that even during an economic downturn, field service businesses can respond to this challenge, but they will need to innovate.

Responding to the Challenge

In tough trading conditions it is tempting to “just sit on ones hands” and weather out the storm. However, businesses that come through a recession typically emerge stronger. This is not just because they were well placed at the outset, or competition falls by the wayside. Survivors innovate, and invest cautiously in response to changing conditions.

For field service, addressing the market challenges means investing in efficiency and productivity to reduce costs, and in value added services to attract and retain clients.

Automation is Key

Field service is characterised by high volumes of low value transactions such as planned maintenance and equipment repairs. Delivering these efficiently means automating as much of the process as possible; the taking of calls, dispatching engineers, organising parts, reporting progress, billing, etc. It also means using technology to reduce travel, eliminate paperwork and improve engineer productivity.

Automation is not the only lever that can be pulled. For example, optimising the value chain can also reduce costs. But with automation comes information with which to drive further efficiencies and create value added services. Services which the operational teams will, with improved efficiency, have the time to deliver.

Automated Delivery Model

In its simplest form a delivery model based on high levels of automation is made from three interacting components; Service Management to automate the back office functions, Scheduling to allocate work and route engineers to site efficiently, and Mobile to deploy the engineers and eliminate job paperwork increasing productivity.

Service Management. The service management system is the foundation of an efficient field service operation. It performs three core tasks. Firstly it holds all the data for the business; clients, sites, contracts, SLAs, jobs, appointments, billings, parts, etc. Secondly, it provides for the efficient administration of the service, automating as much of the back office work as possible. Thirdly, it provides the platform on which the other components operate.

Scheduling. The allocation of engineers to jobs, and the efficient routing of site visits to minimise travel is the domain of the Auto Scheduling tool. Scheduling falls into two categories; Static where the schedule changes little during the day, and the more complex Dynamic where the optimum schedule can change by the minute.

Mobile. Mobile connects the fieldworker with the rest of the organisation. It provides an efficient way to disseminate and collect data in the field, eliminating paperwork and allowing information to flow without manual intervention. It also provides the communication tool to deploy engineers quickly to the right jobs, particularly when dynamic scheduling is required. Freed from the burden of administration, engineers are able to focus on the technical elements of the job, improving their productivity.

Return on Investment

Implemented correctly, the savings offered by an automated delivery model are eye catching. Case studies and surveys have reported improvements in engineer productivity of up to 30%, and reductions in travel of 25%. With the cost of engineers deployed in the field exceeding £40,000 per annum, the possible savings for medium or large scale operations may quickly repay the initial investment, making it attractive even during difficult economic conditions. The benefits do not end there, studies have reported back office savings of 15% and a rise in service levels delivered of up to 20%.

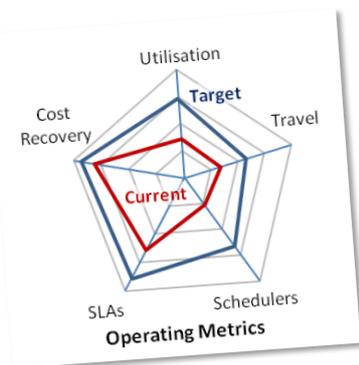
Application to Your Business

The field service industry is facing market demands for lower prices and higher levels of customer service. By making the most of automation, firms can respond to this market demand whilst still protecting operating margins.

Every business is different however, and many will already be using components of the automated delivery model. Although, until they are used together effectively, not all the benefits may accrue.

To identify how the automated model can benefit your business you may need to analyse key operational metrics, such as engineer utilisation and service levels, and highlight any shortfalls between current performance and the business targets.

From this analysis, and a review of customer needs for value added services such as premium level progress reporting, the value of investing in the automated model will become clear.



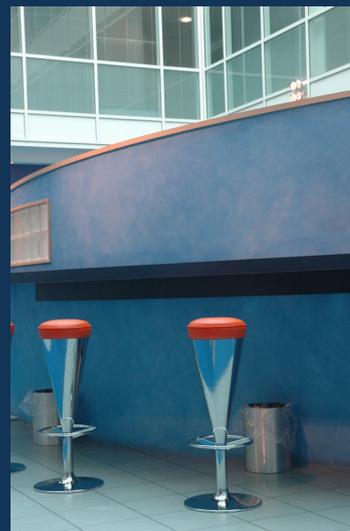
About Enton

We help our clients deliver business change, and have considerable experience of the field service sector.

In our series on Delivering the Benefits, Enton has published guidance on implementing each of the components in the automated delivery model.

We are experienced people with commercial, programme and technology backgrounds. We work within complex organisations to increase top line performance and improve bottom line returns.

If you are about to embark on a new initiative, or have problems with an existing one then please contact us.



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