



managementors

creating sustainable business advantage

White paper

# Building a more productive workforce

This white paper looks at how far technology can actually drive true productivity improvements of a field based workforce, and some of the common pitfalls that exist when spending money on new technology.



## About Managementors

As a results-based consultancy we help service industry organisations generate true performance improvements that translate into tangible margin growth. We've proved this time and time again for many leading-edge blue chip organisations including Fujitsu, Computacenter, Babcock International and Costain.

Our expertise has helped many service and support organisations achieve lasting change. By introducing effective performance management into their operations they've reaped the rewards of significant and sustained productivity improvements - over 30% in some cases.

The default position today of many external consultancies, employed by senior management teams to achieve goals such as an increase in operational performance, an improvement in SLA, cost reduction or a step change in productivity has increasingly included a recommendation to invest in the latest technology, often at high financial cost. Managementors have consistently achieved results over the last 20 years, almost always without recommending any spend on new technology, instead, implementing a Management Operating System (MOS) that allows an organisation to get the best out of what is already available.



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## What the Market for Field Force Technology looks like

Although the number of people working in engineering enterprises in the UK has declined by almost 8% over the last 5 years, the number still stands at around 5.7 million people – around 20% of the working population. Engineering enterprises have a collective turnover of £486 billion.<sup>1</sup> It is one of the major economic foundations underpinning the UK economy.

In a world that is constantly looking for ways to improve operational efficiency and reduce costs, every industry is encouraging more and more staff to work remotely. The motivation to increase capacity and make workforces more flexible means that the global mobile workforce is set to increase from 1.32 billion (2014) accounting for 37.4% of the global workforce, to 1.75 billion in 2020, 42.0% of the global workforce.<sup>2</sup>

Although mobile engineers/workforces have always been an important part of the engineering sector, the increased emphasis on improved customer service and lower costs have created the need for engineering enterprises to become more flexible, more productive, more reactive and better organised. This often means expanding the mobile capability. Managing mobile workers as effectively requires a different approach to those contained in a central location.

Field workforce management is the art of managing all of the moving parts a business has operating from a central location. Managers must therefore enable their staff to be equally (or more) productive on the road as they would be working from a central location. In an effort to achieve this, the default position of management teams today seems to be to significantly invest in the latest Field Service Management (FSM) technological solution.

The Field Service Management Technology sector was valued at £1.6 billion in 2015 and is expected to increase to £4 billion by 2020, with the market researchers stating that “the strong need for a central system for the management of field services and increasing operational efficiency are the important driving factors” behind the expected growth.<sup>3</sup>

Technology has always been used to advance business and the FSM industry is certainly no different; increasingly sophisticated and bespoke options are available – from fully integrated to stand-alone, in the cloud or on premise, as part of a handheld or simply an app on an iPhone or Android. All have specific advantages including a reduction in admin, increased visibility and automated performance reporting.

If technology is actually the one-stop problem solver vendors often claim it to be, then why do organisations who buy the exact same product, from the exact same vendor, targeting the exact same market, often achieve wildly different results? What's the difference?



### Sources:

1. [www.engineeringuk.com/media/1373/7271\\_enguk\\_infographics\\_2017\\_singlepages.pdf](http://www.engineeringuk.com/media/1373/7271_enguk_infographics_2017_singlepages.pdf)
2. Global Mobile Workforce Forecast, 2015-2020
3. Field Service Management Market Solution (Schedule and Dispatch, Work Order Management, Mobile Field Execution), Service (Implementation, Training, Consulting) Region - Global Forecast to 2020.

# Productivity and FMS technology

## What do we mean by productivity?

Productivity can be defined as the overall measure for how well an operation is performing. Many organisations will define productivity in a variety of ways, and some tend to confuse productivity and utilisation, “My team are always really busy” or “I need more people, everybody is working all day but we just can’t seem to reduce the numbers in our queues”, are comments often made by managers.

In order to gain a true picture of how an operation is performing, utilisation should be seen as one factor affecting productivity – the question “how busy are our people?” should always be asked in conjunction with a view of how much output is being produced whilst they are busy – “how much revenue earning output are we achieving?”.

Quite simply, an improvement in productivity can be achieved in two ways, either achieving more output with the same resource or the same output with less resource. If, as stated before, “increasing operational efficiency” is the major requirement of FSM technology, how exactly does technology achieve this?

## What do organisations want from FSM technology?

Some organisations confuse technology as a strategy in itself - “our vision is to buy this technology.” That’s not strategy, that’s a procurement task. Investing in a new technology for your Field Workforce should have a specific goal in mind that is in line with company objectives alongside a clear plan of how that technology can help an organisation to get there.

So what should that goal be? We have already noted that improving operational efficiency tends to be the main driver when investing in FSM technology. FSM vendors will usually claim that their product will provide improvements in productivity, sometimes up to 30%, by providing management with real time analytics, live engineer visibility, a reduction in administrative tasks for the engineers and even automated scheduling functions. Unfortunately, it is common that projected productivity and customer service benefits from FSM technological solutions do not translate in reality or deliver a benefit to the bottom line.

What is all too often missing is an understanding from management of what is required of them post-implementation in order to get the greatest possible return from the technology itself. Essentially, what is often lost in the furor of a new system integration or a hardware roll out, is consistent and thorough execution of the plan devised.

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# The reality of FSM technology

## What do organisations get from FSM technology?

One of the main benefits of FSM technologies is that they have the ability to produce detailed analytics and reporting, and can also give management live visibility of engineer location and activity. This gives the manager the opportunity to address levels of underperformance, or to pick out when an engineer might be somewhere that they shouldn't be.

Detailed data sets and graphs are all well and good, but only if they are being used effectively to continuously improve and drive performance towards the goals identified. Managers have worked in countless environments where a company has invested heavily in this sort of technological solution, and are very proud of being able to stream live to a wallboard showing their operatives locations on a screen. However, often this information is not even looked at, or is not on a scale that is clear, and essentially becomes part of the furniture. Because it is not being utilised, the wallboard has added no value at all.

This is exactly the same for the reporting function, simply reporting on performance is not enough – a management team must have both the capability and the drive to take action to reduce wastage, remove issues and therefore improve performance. Sometimes an organisation will move from not measuring performance at all to having a deluge of performance data. The move from not enough information to too much can bring with it an element of “death by data”.

FSM technology can go some way to highlighting examples of under-utilisation. For instance, automatic scheduling functions can automatically fill up an engineer's day to a defined level of utilisation. However, this is only achievable when the operative using the device has told the software that he/she is not doing anything – essentially giving them control of their own workload. This is where a strong active manager has a huge advantage – as they are capable of understanding when an engineer has “gone dark” or is potentially not using the device in the right way.

In its own right FSM technology will not be able to improve the effectiveness of an engineering workforce. It can assist by providing management with job-by-job performance data, but it is the manager who must be able to understand trends and assess where the performance issues are, for example, which type of job is always taking longer than planned? Which engineers need training and where? Why do those 30 minute jobs at 16:00 always take an hour? A piece of software cannot answer these questions effectively, but an experienced manager with the right skills can take action to ensure that engineers are provided with the feedback and training to ensure that issues which appear are overcome and do not continue to hamper productivity.

The most productive field workforce organisations are those who identify and take action to remove issues that occur on a job-by-job basis as a part of the wider culture of performance improvement.

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# Conclusions

## How can the two be aligned more closely?

If the goal of investing in FSM technology is to improve engineer productivity, two things must be achieved; an increase in utilisation and an increase in effectiveness.

FSM technology when used correctly, gives management the opportunity to be better informed about what is going on in reality and to make better decisions on what action to take to improve performance. It can only become an advantageous tool when utilised as part of an effective management operating system.

It is key to have an active manager in place to ensure the correct use of handheld devices by engineers, and provide direct feedback on both an individual and a team basis, when occasions of misuse do occur. In the early stages of using such devices, this will happen. To ensure it doesn't become accepted or engrained behaviour requires an effective and consistent feedback loop. Rubbish data in will produce rubbish data out – building confidence in the accuracy of the reports and taking away potential excuses for bad performance, must start with ensuring that the devices are consistently used correctly.

Once being used correctly by the engineers at the front-end, it is vital that management also use it correctly at the back end. Making performance management central to how the operation is managed in the form of daily, weekly and monthly reviews of Plan vs Actual performance with appraisal against KPI targets, such as SLA attainment and productivity, will foster a culture of high performance and continuous improvement. Showing employees that actions taken resulting from the issues raised will also garner employee engagement, getting everybody on-board with a new way of working will go a long way to sustainability. If engineering issues are raised and no action is taken to mitigate and remove them, they will give up raising them, and who can blame them?

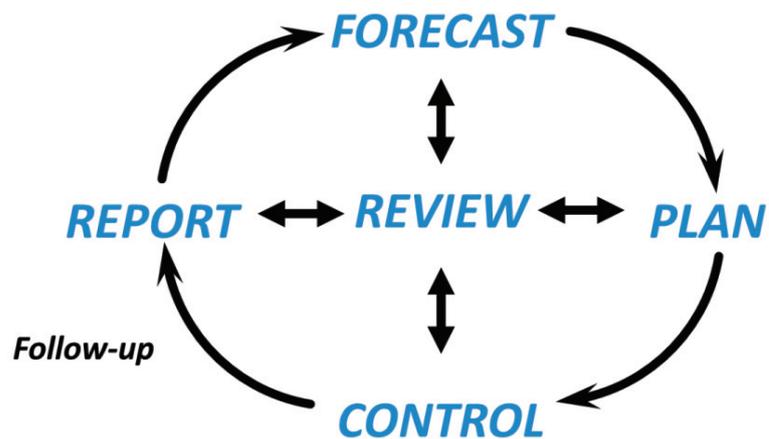


## Summary

In reality, being dependant on technology to provide a catch-all solution to all of an organisation's problems is unrealistic. The basic principles of an effective MOS must be embedded first in order to hit the ground running with a new technology implementation. Integrating a new technology into an operation that is already faltering at a management or supervisory level, will serve only to distract from the fundamental issues already affecting performance – avoid giving managers the opportunity to blame long-standing shortcomings on a new technology roll out.

Employees should understand the benefits of the new programme but they should also understand the limitations associated with it, and how important their behaviour is in achieving the business goals. Management's job is to provide the appropriate leadership to ensure that the right behaviour is enforced so a culture of performance improvement flourishes.

Improving performance is certainly possible with new technology, but even the best technology is unlikely to sustain improved performance levels by itself. A synergistic relationship between technology that is fit for purpose and an effective MOS aimed at continuously improving operational performance by identifying and removing issues is the ideal situation and should be strived towards, but is possible only when everybody is held accountable for performance.



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