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fuel prices are seen as the number one concern in meeting field service priorities.

51% plan to update their driver safety solutions.

80% see worker health and safety as a higher priority than five years ago.

61% say their field service teams will grow in the next five years.

93% regard the field-based workforce to be the ‘company face’.

80% agree customers are more demanding than five years ago.

64% feel sustainability will have a significant effect on their business planning.

90% said that their board was fully committed to improving field operations.

customer satisfaction is ranked as the number one priority.
Chapter 01.
INTRODUCTION

The quality of customer service has become an increasingly important priority for businesses struggling to differentiate themselves in an ever-more competitive market landscape.

Today’s consumers have a higher expectation of service delivery than ever before, whether this is via a contact centre, online or in their own homes. As the number of customer touch-points increases for every brand, services in the field are rapidly becoming the new frontline in the battle for competitive market share, playing a major role in customer satisfaction, brand reputation and, ultimately customer retention and profitability.

“In the retail sector, supermarkets have raised the bar for home delivery service, leading to higher customer expectations of other service providers.”

In the retail sector, supermarkets have raised the bar for home delivery service, leading to higher customer expectations of other service providers. This trend is heightened by a growing ‘review culture’ which is putting the image and reputation of brands into the hands of consumers, who are sharing their experience of brands, both good and bad, via social networks and placing greater value in the opinions of their peers when making purchase decisions.

We wanted to find out how service-based organisations are responding to this challenge. So in May 2012, Trimble commissioned Proteus Research to carry out an independent study amongst managers and directors operating large field-based workforces with a service function in the UK.
The study identified some key areas that exemplify how organisations are adapting to the new service imperatives:

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<th>01.</th>
<th>THE STRATEGIC IMPORTANCE OF CUSTOMER SERVICE</th>
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<tbody>
<tr>
<td></td>
<td>To what extent has field services evolved from playing an operational role to one of significant importance to the overall strategy of the brand?</td>
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<th>02.</th>
<th>ACHIEVING SERVICE DELIVERY EXCELLENCE</th>
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<tr>
<td></td>
<td>What steps are organisations taking to achieve customer service excellence and how successful are they?</td>
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<th>03.</th>
<th>THE ROLE OF TECHNOLOGY IN DELIVERING SERVICE EXCELLENCE</th>
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<td></td>
<td>Technology is a critical component in maintaining efficient field-based operations, but what is the state of the technology deployed by businesses today, and how are they preparing for the future?</td>
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<th>04.</th>
<th>MANAGING THE MOBILE WORKFORCE</th>
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<td></td>
<td>Seen as the face of the company and critical in achieving business goals, what are the biggest concerns for those managing a large field-based workforce?</td>
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<th>05.</th>
<th>MITIGATING RISK</th>
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<tbody>
<tr>
<td></td>
<td>What measures are businesses with fleet and field service operations taking to reduce risks, from a financial, legal and reputational perspective?</td>
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<th>06.</th>
<th>SUSTAINABILITY AND THE GREEN AGENDA</th>
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<td></td>
<td>What is driving sustainability in fleet operations and what benefits are resulting?</td>
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Our comprehensive survey aimed to discover how an increased strategic emphasis upon customer service was affecting field service operations.

We discovered that it touched on almost every area, with an impact that ranged from tangential, but nevertheless significant, in the case of risk management, to major in the key area of technology. And while the participants on the whole demonstrated an impressive understanding of this impact, their ability to transform their operations accordingly varied considerably.

This report, gathered from the most significant issues businesses with field services divisions are facing today, provides some valuable perspectives into how the future may look for businesses running fleet and mobile workforce operations. While the majority of organisations are demonstrating a solid awareness of the issues facing them, both now and moving into the future, at present the steps they are taking to deal with them have not been substantial or widespread enough. In short, there is still opportunity for field service improvement.

We also uncovered some important insights, which should provide essential reading for anyone involved in the management of fleet and field service operations and will provide a valuable steer for any organisation looking to achieve greater success with fewer resources. These insights are explored in detail in the final section of the report, ‘Conclusion & Recommendations’.

Mark Forrest  GENERAL MANAGER, TRIMBLE FIELD SERVICE MANAGEMENT
03. THE STRATEGIC IMPORTANCE OF CUSTOMER SERVICE
Chapter 03.
THE STRATEGIC IMPORTANCE OF CUSTOMER SERVICE
Chapter 03.
THE STRATEGIC IMPORTANCE
OF CUSTOMER SERVICE

Businesses are shifting their view of the purpose of their field-based workforces from operational necessity to strategic value, with a growing awareness that field service operations are a key driver of customer satisfaction, brand reputation and competitive advantage.

At the same time, our study revealed that not every organisation was able to deliver on its vision for field service excellence and 60% felt that future improvements in customer service would need to be achieved with fewer resources.

The link between customer service, customer loyalty, retention and profitability is now widely acknowledged, with many organisations placing a higher priority upon treating customers as individuals, implementing a culture of service quality and monitoring customer perceptions of value.

The field service managers and directors in our survey were not immune to this trend, showing a keen awareness of changing customer expectations; four out of five people in our study agreed that customers are more demanding, expectant and fickle than five years ago; and 80% of our respondents agreed that customers spend less but expect more.

Our survey also confirmed that field service workers are seen as the face of the company, with only a minority not seeing it this way. The field service workforce is seen by 93% of the respondents in our survey as the company face, with 64% agreeing with the statement fully and 29% partly.

It was encouraging to discover that 90% of respondents in our study said that their board was fully committed to improving field operations. Just under half (49%) agreed that the board is placing more strategic importance on field service excellence than it did a year ago, and 51% agreed with the statement that the board sees field service excellence as a key part of the organisation’s strategic vision.

Encouragingly, over half of the businesses in our study are investing in their field service operations in order to achieve their strategic vision: 57% of the service teams we spoke to have grown since 2007; and an even higher percentage, 61% of the organisations in our study said that their service team would grow in the next five years; with one in five saying that it would grow significantly and nobody prepared to say that it would shrink in size.

FAST FACTS

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80%
agreed that customers spend less but expect more.

93%
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However, the study also suggested that organisations are struggling to fully deliver on their vision for field service excellence: just 48% of the respondents in their survey were on target to achieving their annual business goals, with this measure of success being elusive to the remaining 52%. Budget considerations emerged as a concern for around one quarter of organisations: 27% said the board is fully committed, but budget considerations mean it cannot follow through on planned vision; while a small minority - 11% - felt that the board only pays lip service to field operations.

Perhaps most tellingly, looking ahead to the future, 60% said they are worried they will have to do more with less, suggesting that ever-increasing customer expectations, an uncertain economic climate and, rising fuel prices were putting pressure on internal resources.

Given no-one responded to say their service organisation would shrink it seems that businesses feel that while mobile workforces would remain the same or increase, productivity improvements will be key.

- 51% agreed that the board is placing more strategic importance on field service excellence than it did a year ago.
- 57% of the service teams we spoke to have grown since 2007.
- 60% said they are worried they will have to do more with less.
Chapter 04.

ACHIEVING SERVICE DELIVERY EXCELLENCE

Organisations are investing in a number of initiatives to achieve service delivery excellence.

Including technology system upgrades; customer feedback programmes; safer driving initiatives and social media monitoring. However, our study revealed that the relative priority placed upon each area and the success achieved, varies widely between organisations.

Our report made it clear that today’s field-based organisations are placing a high priority on activities that support a customer-centric focus: when asked to select their top three priorities for meeting field service objectives customer satisfaction emerged as the clear winner, placed in the top three by 68%, followed by customer retention (59%) and improving profitability, which was placed in the top three by 43% of organisations, marginally ahead of increasing workforce productivity and utilisation, a top three priority for 41% of respondents.

However, there are undoubtedly challenges that come with trying to achieve field service excellence and respondents stated that fuel prices were the biggest barrier. The rise of fuel prices has added an additional pressure on organisations with vehicles and employees out on the road and the ability to meet customer demands and achieve cost goals becomes an ever more difficult balance. More generally, the economic climate that has provided a tumultuous environment over the last few years, still looms large and was implicated as another one of the top three concerns by half of managers and directors. It is also interesting to note that businesses are still driving for differentiation as competitor activity is highlighted as another pain point, hence the report also seeing the appetite for customer service improvement, a key in consumers’ brand choice.

SO HAVING MADE IT A PRIORITY, HOW ARE ORGANISATIONS LOOKING TO IMPROVE CUSTOMER SERVICE?

A clear priority for 81% of organisations in our study was providing an acceptable appointment window; although the definition of ‘an acceptable window’ may vary between organisations, it is no longer acceptable to say anytime during the day. In fact recent independent research conducted by Trimble suggested that one third of people have to take annual, sick or unpaid leave to wait for delivery and service.

The twin areas of training and technology also underpin the drive towards customer service excellence with 74% saying they were providing more training to the workforce and 69% providing technology to improve scheduling and help the workforce to manage jobs more efficiently. (See Table Three).

The research also found that a high number of businesses (82%) run their own customer feedback programmes to monitor satisfaction, but, perhaps surprisingly, only 40% have a comprehensive follow-up process in place to use this information to improve customer service. This suggests many businesses still need to be convinced of the potential of the customer data they possess and that new organisational processes are needed to develop a truly customer-centric approach.

The majority are now monitoring social media to capture feedback (57%), but only a third have used this information to make noteworthy changes to customer service strategy so far. Yet, there is an acknowledgement of its use, and 79% anticipate a larger role for social media in the future. This is partly due to 49% also acknowledging that social media use has resulted in customers becoming far more willing to complain publicly, leaving them little option but to be visible and responsive to this in order to manage their brand reputation.

### TABLE ONE: CONCERNS FOR MEETING FIELD SERVICE OBJECTIVES

<table>
<thead>
<tr>
<th>Concerns for meeting field service objectives (Ranked 1st, 2nd or 3rd from list of nine factors)</th>
<th>% being ranked 1st, 2nd or 3rd</th>
<th>Priority rank</th>
</tr>
</thead>
<tbody>
<tr>
<td>Fuel Prices</td>
<td>65%</td>
<td>01st</td>
</tr>
<tr>
<td>Uncertain economic climate</td>
<td>50%</td>
<td>02nd</td>
</tr>
<tr>
<td>Competitor activity</td>
<td>36%</td>
<td>03rd</td>
</tr>
<tr>
<td>Lack of skilled staff</td>
<td>31%</td>
<td>04th</td>
</tr>
<tr>
<td>Restrictive legislation</td>
<td>31%</td>
<td>05th</td>
</tr>
<tr>
<td>Lack of customer demand</td>
<td>29%</td>
<td>06th</td>
</tr>
<tr>
<td>Lack of modern tools, technology and equipment to manage field-based workforce</td>
<td>20%</td>
<td>07th</td>
</tr>
<tr>
<td>Budget allocation for my department</td>
<td>17%</td>
<td>08th</td>
</tr>
<tr>
<td>Increasing bureaucracy</td>
<td>16%</td>
<td>09th</td>
</tr>
</tbody>
</table>
Facts and figures

### TABLE TWO: PRIORITIES FOR MEETING FIELD SERVICE OBJECTIVES

<table>
<thead>
<tr>
<th>Priorities for meeting field service objectives (Ranked 1&lt;sup&gt;st&lt;/sup&gt;, 2&lt;sup&gt;nd&lt;/sup&gt; or 3&lt;sup&gt;rd&lt;/sup&gt; from list of seven factors)</th>
<th>% being ranked 1&lt;sup&gt;st&lt;/sup&gt;, 2&lt;sup&gt;nd&lt;/sup&gt; or 3&lt;sup&gt;rd&lt;/sup&gt;</th>
<th>Priority rank</th>
</tr>
</thead>
<tbody>
<tr>
<td>Improve customer satisfaction</td>
<td>68%</td>
<td>01&lt;sup&gt;st&lt;/sup&gt;</td>
</tr>
<tr>
<td>Providing more training to staff</td>
<td>59%</td>
<td>02&lt;sup&gt;nd&lt;/sup&gt;</td>
</tr>
<tr>
<td>Improved profitability</td>
<td>43%</td>
<td>03&lt;sup&gt;rd&lt;/sup&gt;</td>
</tr>
<tr>
<td>Improve workforce productivity and utilisation</td>
<td>41%</td>
<td>04&lt;sup&gt;th&lt;/sup&gt;</td>
</tr>
<tr>
<td>Cut costs</td>
<td>36%</td>
<td>05&lt;sup&gt;th&lt;/sup&gt;</td>
</tr>
<tr>
<td>Improve sustainability</td>
<td>23%</td>
<td>06&lt;sup&gt;th&lt;/sup&gt;</td>
</tr>
<tr>
<td>Drive more revenue</td>
<td>19%</td>
<td>07&lt;sup&gt;th&lt;/sup&gt;</td>
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### TABLE THREE: HOW BUSINESSES ARE IMPROVING CUSTOMER SERVICE

- Providing customers with an acceptable appointment window
- More training
- Using technology to better schedule and manage jobs
- Ensure customers are kept informed of any late arrival
- Applying more resources to capacity planning
- Employing more people
- Other
- Not doing anything in that respect

- 82% of businesses run their own customer feedback.
- 40% of businesses have comprehensive follow-up process in place to use this information to improve customer service.
- 57% are monitoring social media to capture feedback.
Chapter 05.
THE ROLE OF TECHNOLOGY IN DELIVERING SERVICE EXCELLENCE
Chapter 05.
THE ROLE OF TECHNOLOGY IN DELIVERING SERVICE EXCELLENCE

Our comprehensive survey aimed to discover how an increased strategic emphasis on technology was affecting field customer service.

While 88% of field service directors say that increasing workforce productivity and utilisation is an important strategic objective, fewer than one in five organisations in our study have achieved the field service utopia of fully-automated scheduling, dispatch and mobility systems to deliver real-time visibility and control of field service operations. The majority 59% are living with a compromise of partly-manual, partly-automated systems, while a significant minority (20%) are still operating fully manual systems. Our study suggests that the need to integrate a diverse mix of often incompatible legacy systems is preventing many organisations from realising the full potential of technology to increase workforce efficiency, a crucial factor in achieving service excellence.

With ‘Improving customer service’ a top priority and the need to ‘Increase workforce productivity’ a strongly stated objective for most businesses, our study investigated to what extent technology is fulfilling its potential as a key enabler of an organisation’s strategic vision, improving the productivity of workers in the field and supporting continuous customer service improvements and increased customer satisfaction.

Almost half, (49%) of respondents in our study agreed with the statement that the latest field-based technology helps them to achieve their goals. Meanwhile, a similar number (46%) have updated their systems in the last six months, and 64% have implemented technology upgrades over the last year. A further 22% are planning changes within the next six months, and 26% are planning to change at some point in the future. Just four in ten had no plans to change or improve at the moment, demonstrating widespread recognition of the vital role technology will have in achieving service delivery excellence.

Somewhat alarmingly, over half of the participants in our study (58%) were concerned that lack of investment in the proper tools and technology will hold back the development of their organisation. The need for future technology investment in order to increase workforce efficiency and realise service excellence was further highlighted by our study with just 14% of the field service directors able to strongly agree that their current systems are fit for purpose and 41% saying they were forced to rely on ‘old-fashioned’ technology. This is clearly a concern for organisations looking to achieve ‘more with less’ while responding to changing regulatory requirements, spiralling customer expectations and constant pressure to reduce fuel costs.
Indeed, when asked which specific areas of technology were in most need of upgrading, fleet management in the form of telematics or fleet management systems were seen as the overwhelming priority by 65% of organisations, coming second only to general IT and hardware (85%). This is not surprising given that a staggeringly high number – 67% - do not currently use telematics to monitor drivers. Interestingly, those field service organisations that do operate telematics say they recap the benefits, with a more efficient workforce, reduced insurance costs and improved working practices, all factors which can lead to a rapid ROI (Return on Investment). Given that doing more with less is a concern for 60% of respondents, fleet management and telematics technology may well become a potential area for investment in order to improve efficiency in a short timescale.

Frost and Sullivan Industry Analyst Sathyanarayana K noted,

“It is interesting to note that this Trimble research found that companies see their priorities for future technology investment as being within general IT and hardware as well as fleet management. It would be really interesting to know if companies see these investments as two distinct operations as the integration of these two elements would deliver even greater value to companies than having two separate deployments. When systems are integrated this means not only are business and productivity improvements made but also that costs are reduced ensuring a genuine return on investment, which can be achieved in much less time.

Unfortunately, there is often a lack of understanding of the huge cost savings that integrated deployments and the efficiencies that this can bring, which is essential for any business to remain competitive and attract and retain customers.”

Indeed, our study suggested that putting together an effective business case for technology investment should be an important priority for any field service operation that is faced with the need to deliver service improvements while managing costs; our study suggested a lack of understanding of the huge cost savings field service management systems can deliver, alongside improvements in workforce productivity and customer satisfaction.

Lack of budget, complexity of integration with legacy systems and resistance from staff were seen as the three biggest barriers to rolling out new technology (see Table Four), suggesting that the roll-out of new field service solutions must be carried out as part of a well-planned business transformation programme, with change management procedures in place to secure the buy-in of the field-based workforce.

The growth of mergers and acquisitions in the industry has led to substantial consolidation of technological systems, with many expanded businesses operating a mix of often incompatible legacy systems, leading to a real need to streamline operations for consistency and efficiency. With a third of systems designed in-house, and nearly half viewing their systems as outdated, the overall suggestion is that the market for technological upgrades in businesses in the next few years is substantial, with a growing acknowledgement of the need to use technology to support their strategic direction.

88% of field service directors said that increasing workforce productivity and utilisation was an important strategic objective.

49% of respondents in our study agreed with the statement that the latest field-based technology helps them to achieve their goals.

58% were concerned that lack of investment in the proper tools and technology will hold back the development of their organisation.
Our survey confirmed the extent to which organisations with a field-based workforce value staff and recognise their importance in delivering customer service excellence.

Nearly all (93%) of respondents agreed that mobile workers are the ‘company face’ and an additional 89% consider field staff to be important for the image of the business. So it is not surprising that one of the biggest concerns of managers and directors with a field-based operation is finding the right staff, with the right skills.

Unlike desk-based employees, mobile workers rarely spend time in company offices or with colleagues, meaning that it can be difficult to ensure that these staff are familiar with the company ethos so they can represent the brand. Happily, our research has shown that most field-based organisations are dealing with this issue, with over two thirds of those interviewed agreeing that the mobile workforce is made aware of company campaigns.

Regular training and coaching are also key to achieving this and ensuring that those employees ‘out on the road’ reflect the corporate brand values. Companies are approaching this in a variety of ways – see Table Six.

Nearly half of those surveyed hold regular customer service training sessions and a further 31% meet frequently to discuss how to interact with clients. Simple things like sharing behavioural codes of conduct (33%) and providing a uniform/dress code (23%) are also important.

The mobile workforce appears to be very ‘pro’ technology. When it comes to implementing new technology, field-based organisations do not suffer from the same resistance and opposition to change as often happens when the status quo is altered. Only 22% stated that resistance from staff was the biggest barrier to rolling out new technology.

Interestingly, the demographic issue of an ageing workforce, which is a concern for many UK organisations, does not present a major worry for service and operations managers and directors. Nine in ten said that having a third of the workforce over the age of 50 by 2020 will have little or no effect on them. In fact, they believe that with age comes experience and knowledge. To our mind, the reason for this is that older drivers are viewed as safer and older workers are viewed as more courteous; two factors that are fundamental to a highly effective field-based employee.

As mentioned earlier, a lack of skilled staff is the greatest personnel concern for managers and directors of a field-based organisation, with nearly a third of those surveyed agreeing. A further 25% would go as far to say that this dearth is having a negative impact on the organisation and indeed holding back the development of the business.

Yet a quarter of those interviewed believe that applicants are more qualified than five years ago, with 19% stating that many applicants have university degrees. This could be related to the current economic climate, which is having a negative impact on jobs for graduates. As a result, many of those leaving university are considering careers, such as delivery drivers or gas engineers that they would have overlooked previously.
Moving forward, the field-based team is set to grow, with 61% of respondents agreeing that they have plans to recruit additional staff within the next five years. The demographic of this group could look quite different to that of today as a result of the ageing workforce and the increased interest from graduates. Smart companies will take advantage of this and implement new recruitment strategies to attract and retain the best talent, which will help further improve customer service moving forward.
Chapter 07.
MITIGATING RISK
Chapter 07. 
MITIGATING RISK

Health and safety is understandably a high priority for organisations with workers in the field, who not only face greater risks than their office-based colleagues, but can also expose members of the public to safety hazards with disastrous consequences for the company’s reputation as well as the legal risks involved.

It was therefore reassuring to see that all organisations that we spoke to place a high priority on managing risk, with a small but significant minority turning to technology to reduce crashes and lower insurance costs out on the road.

Interestingly, the study uncovered that all the organisations who participated in our study had policies or procedures in place to protect staff. These vary from simple initiatives, such as routinely checking drivers’ licences (93%) and providing regular briefings on how to drive more safely (73%) to employing a third party to educate the workforce on safety at work (63%) and having a written policy on safe driving (70%).

When asked if health and safety was a higher priority than five years ago nearly 80% of respondents agreed. So what has changed since 2007 to push health and safety further up the corporate agenda? Reasons given by our sample include an increase in legislation (68%), to ensure insurance claims are kept to a minimum (61%) and an attempt to reduce the number of incidents (48%), which can have an impact upon workforce productivity, operational costs, customer service levels and brand reputation, above and beyond the risk to drivers and the public. Meanwhile, improvements include drivers being given a mobile device to use in an emergency and increased safety training.

However we were somewhat surprised to discover that while 58% of organisations say they use a system to monitor drivers in order to identify and deal with poor driving before a driver’s assessment is due, just one in three (33%) were using a telematics system for this purpose. Those that used a telematics system were much more likely to strongly agree that it increases efficiency (61% v. 16% for those not using it) and also cuts insurance costs (61% v. 21%), highlighting a real need for education about the benefits of telematics for this purpose.

Our survey highlighted the fact that organisations could be doing much more to leverage technology in order to improve – and derive greater benefits from - their health and safety procedures; 51% of the survey-base agree that the technology they are using to manage the safety of their employees is in need of updating, with 44% stating that their risk assessment software is in need of the most improvement.

Our study also identified a link between the ever-growing importance of brand reputation and the field-based workforce, with 79% of field service managers and directors going as far to say that driving skill is taken seriously by the company and is strongly linked to the representation of the brand in the public eye. As a result, many organisations are using ‘how is my driving?’ stickers, which display a contact number to call if a driver is perceived to be performing poorly on the road. While 88% of respondents agree that the number is never (or rarely) called, 94% believe they do produce an improvement in driver behaviour.

This suggests that the core impact of using ‘how is my driving?’ stickers is intangible, providing a psychological incentive for the driver to be conscious of his or her driving behaviour. If this improvement can be raised simply by the addition of a sticker with a call to action, then

### FAST FACTS

- **80%** felt that health and safety was a higher priority than five years ago.
- **93%** routinely check drivers’ licences.
- **73%** provide regular briefings on how to drive more safely.
the correlation between the presence of a telematics system and driver behaviour will be even more positive. Since the UK ban on using mobile phones whilst driving was introduced in 2003, the number of reported incidents involving drivers distracted by a mobile device has declined substantially. The proliferation of mobile devices, however, means that the risk of incidents caused by drivers using mobiles remains high, with the potential for corporate manslaughter charges if employees haven’t received suitable training.

Richard Coteau, Corporate Liaison Officer at Brake said:

“Safety behind the wheel has always been a priority for organisations with large number of vehicles and staff on the road, so it was encouraging that the Trimble Road Ahead report found that businesses are continuing to take health and safety seriously.

Vehicles driven for work have the highest-mileage on our roads, so their safety is paramount. Surveys show that due to pressures of work, many company drivers are more likely than other drivers to admit to speeding, talking on a mobile phone and driving when tired, so management of driver safety by companies is vital.

It is disappointing to discover that only one third of companies use telematics to identify and deal with poor driving. The “Measuring the risk 2012” report, carried out by our Fleet Safety Forum division, found that telematics systems can help identify and analyse risks, helping businesses to improve driver safety through training, enhanced scheduling of journeys, allocation of staff and introducing new or updated policies and procedures.

Of course telematics on its own will never completely replace health and safety policies, but it can certainly feed into them, overall helping to keep staff safe on the road.”

Moving forward, health and safety will, and should, remain a top priority for all field service managers and directors. In our opinion, telematics will be used more and more not only to monitor driver behaviour but also to reduce insurance premiums, which have been steadily rising in the last decade. This will further encourage a culture of safe driving and help companies save money and drive down costs – a win-win situation for any organisation with a field-based workforce.

Andy Price, Practice Leader, Europe – Motor Fleet, at Zurich, who launched their Zurich Fleet Intelligence (ZFI) programme last year said, More and more organisations are starting to understand the benefits of using driver behaviour based telemetry to help manage the risks associated with work-related driving. This data supplements other risk data, such as that from risk assessments and collision analyses, and allows a comprehensive risk profile to be built up for each employee in the business. This allows the appropriate management and/or driver-focused initiatives to be implemented and helps organisations effectively manage their Total Cost of Risk.

As driving is usually an unsupervised task, this technology allows managers to have a degree of control about how an employee is driving, and implement strategies to help improve their driving behaviours. Our customers who have implemented the ZFI programme have seen significant reductions in the frequency and cost associated with their own damage and Third Party collisions, and as well as the financial benefits it has also helped them meet their Duty of Care and meet their Corporate Social Responsibilities, especially those related to reduction in CO₂ rates associated with their transportation activities.”
Chapter 08.
SUSTAINABILITY
AND THE GREEN AGENDA
Improving sustainability and delivering on the green agenda is a priority for the government, public sector organisations and businesses large and small, so it is no surprise that service departments are being asked to play their part.

When looking to develop green credentials, monitoring fuel consumption is a quickly achievable method of reaching environmentally friendly targets, and also brings a range of benefits across the business. In addition to the obvious financial advantages, reducing fuel usage through better insight into vehicle usage can lead to significant decreases in CO₂ emissions. The resulting positive impact on the environment also reflects well on the business as a whole and can be a consumer “tick box” when choosing a supplier.

Our research shows that nearly two thirds of respondents believe that sustainability plays a key role in their business plan and a further 64% feel sustainability will have a significant effect on their business moving forward. This isn’t purely due to pressure from an increasingly sustainability-conscious society and customer base. Recently introduced and incoming legislation means that the pressure for businesses to be green has never been higher. In order to meet such legislation, businesses must prove they are meeting green targets (in terms of emissions) and the responsibility sits with the business itself to prove these metrics or face any potential fines or consequences.

An additional 43% of organisations actively seek out products and technologies that have a positive environmental impact, and 72% agree that it’s a bonus when sustainability is a happy by-product of anything they do. Cost, of course, remains the main driver behind the purchase of products and technologies, but the increased sustainability credentials derived from the significantly reduced fuel usage are key benefits that businesses are happy to subscribe to.

**FAST FACTS**

- 64% feel sustainability will have a significant effect on their business moving forward.
- 43% of organisations actively seek out products and technologies that have a positive environmental impact.
- 72% agree that it’s a bonus when sustainability is a happy by-product of anything they do.
Ian Featherstone, Fleet Advice Manager at the Energy Saving Trust, said:

“The simplest way to reduce transport costs and emissions is to cut mileage. Sustainable fleets are often perceived to be just about using low emission vehicles or vehicles that run on alternative fuels; but whatever vehicles you are operating, if they are badly-driven, poorly-maintained and used for more journeys than necessary, then any benefits of cleaner technology could be negated.

Most companies today will have a sustainability goal driven by their board or a CSR policy and fleet is often one of the areas where you can see a substantial improvement if you address and manage fuel use. As fuel prices have seen a consistent increase over the years there is a real need for business to manage these costs and if this process can also help to run a greener, more efficient fleet then it is a win-win situation. Finding a baseline and then measuring against it is a vital first step for any fleet in understanding where it is today and what savings it can achieve. With legislation moving to a pay as you pollute model, there is no better time to start to address this challenge as the onus will eventually lie with the business to prove their emissions profile.”

Legislation is one of the key drivers accelerating the move to green, as stated by 20% of respondents, whilst 16% of those interviewed believe that improved sustainability will turn into increased profitability. But overall, our understanding is that the desire to become more sustainable is largely being driven by perception and company image.

As discussed earlier in our report, brand reputation is increasingly important and being green and being seen to be green is central to this for organisations with a field-based workforce. Our research found that nearly three quarters of service managers and directors feel sustainability is important for customer image, and 60% agree that it is important in the eyes of customers. This reaffirms our theory that organisations are moving towards sustainability as a way of promoting their organisation and ultimately attracting and retaining customers.

Sustainability and the green agenda don’t look to be going anywhere any time soon, and organisations that ignore these trends do so at their peril. Our report shows that organisations with field-based workforces are embracing the green agenda and see it as an integral part of their future. Perhaps most interestingly, those organisations where sustainability plays a strong role in their policy are those that plan to grow the most. This is extremely promising, suggesting that going green is now considered by many as an integral part of their businesses’ growth strategy, with green credentials viewed as a necessity for commercial success in the future.
Businesses with field-based workforces are operating in an era that has witnessed some striking changes. Businesses with field-based workforces are operating in an era that has witnessed some striking changes as technology has provided service operators with a wealth of tools to drive efficiency in the field, but has also provided those on the receiving end with heightened expectations of service delivery, and the power to quickly and effectively air their views if they feel they have fallen foul of unsatisfactory standards.

It is clear that managers and directors of field operations are looking to produce continuous improvements in customer service, while making the most of the often restricted budgets and slim resources at their disposal, against a background of rising fuel prices and economic uncertainty. While great strides are being made within many organisations, we identified some priorities for further improvement, and businesses themselves made some predictions about the future.

ADDRESSING CUSTOMER SERVICE PRIORITIES

It is clear customers are becoming more demanding of their service providers. By understanding customer expectations in some key areas, it is possible to align to the most important of those to ensure customer retention. Those businesses recognising their workforce as not only the company face but also a customer retention tool will reap the rewards as service continues to be a differentiator and something consumers will use to make an informed decision about who to buy services from.

In terms of deliverables, meeting those challenging consumer expectations will be another area businesses must concentrate on to truly excel. For example, the majority of organisations in our survey placed a high priority on offering acceptable appointment slots as they recognise the busy consumers of today want more certainty from their suppliers. Building a relationship with a consumer, making a promise and delivering on it will allow for a happier customer base but achieving this can exponentially affect costs in terms of resource allocation, something many businesses are struggling to control. Managers can tackle this by optimising scheduling to ensure customers are offered acceptable appointment slots, which are met and attended to by qualified and prepared staff.

Another relatively simple customer service ‘win’ is to communicate with customers directly about their appointment, for example to alert them via text or a phone call if the driver is going to be late; by managing customer expectations in this way, brands can ward off negative comments about the brand via social media and create loyal brand advocates who will tell their friends about their service.

### TABLE EIGHT: ATTITUDES TO THE FUTURE

<table>
<thead>
<tr>
<th>Statement</th>
<th>0%</th>
<th>20%</th>
<th>40%</th>
<th>60%</th>
<th>80%</th>
<th>100%</th>
</tr>
</thead>
<tbody>
<tr>
<td>Lack of trained and skilled personnel will hold back the development of</td>
<td>17%</td>
<td>15%</td>
<td>37%</td>
<td>12%</td>
<td>13%</td>
<td></td>
</tr>
<tr>
<td>my organisation.</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Lack of investment in the proper tools and technology will hold back the</td>
<td>12%</td>
<td>9%</td>
<td>16%</td>
<td>24%</td>
<td>34%</td>
<td></td>
</tr>
<tr>
<td>development of my organisation.</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>The aging workforce is going to be a concern moving forward.</td>
<td>17%</td>
<td>17%</td>
<td>30%</td>
<td>10%</td>
<td>6%</td>
<td></td>
</tr>
<tr>
<td>In the future I will have to ‘do more, with less’.</td>
<td>37%</td>
<td>0%</td>
<td>25%</td>
<td>17%</td>
<td>43%</td>
<td></td>
</tr>
</tbody>
</table>

Key:

- (1) Completely disagree
- (2) 
- (3) 
- (4) 
- (5) Completely agree
This communication trend may also move further in to the consumer space with businesses using social media to update customers and engaging with them via this medium, reducing costs for the business but significantly enhancing the intimacy with the customer.

But addressing customer service priorities is about more than just brand reputation management; it should also be a key strategic driver that can support long-term customer retention and profitability. Recent consumer research commissioned by Trimble found the first time fix to be the second highest customer service priority, only behind the engineer turning up on time. There is also considerable evidence that customers are willing to pay for next day delivery, allowing organisations to charge a premium price for a premium service, as well as improving workforce utilisation and avoiding the financial and environmental costs of repeat appointments.

DEMONSTRATING THE BUSINESS CASE FOR TECHNOLOGY INVESTMENTS

The availability of budget for technology investment is a key concern for many organisations; but by producing a detailed business case, it is feasible to demonstrate that investing more now can significantly reduce costs in the long run. There is plenty of evidence available that technology investment can produce dramatic returns on investment by driving the visibility for improvement and providing the tools for increased effectiveness and efficiency.

According to AberdeenGroup surveys, investment in Field Service Management and Fleet Management tools provides far reaching benefits including:

<table>
<thead>
<tr>
<th>Percentage</th>
<th>Benefit</th>
</tr>
</thead>
<tbody>
<tr>
<td>22%</td>
<td>Reduction in fuel consumption.</td>
</tr>
<tr>
<td>25%</td>
<td>Reduction in idle times.</td>
</tr>
<tr>
<td>32%</td>
<td>Improvement in fleet utilisation.</td>
</tr>
<tr>
<td>21%</td>
<td>Reduction in vehicle and operating costs.</td>
</tr>
<tr>
<td>31%</td>
<td>Reduction in daily mileage.</td>
</tr>
<tr>
<td>11%</td>
<td>Increase in service revenue.</td>
</tr>
<tr>
<td>09%</td>
<td>Improvement in workforce productivity.</td>
</tr>
</tbody>
</table>

Perhaps the key factor is understanding the full benefits that technology can deliver, producing a powerful ROI for an incremental investment; by taking the steps necessary to implement a fully-automated field service management solution, organisations benefit from real-time visibility of fleet operations, as well as streamlined business processes, which can transform operational efficiency, without the need to increase the size of their field-based workforce.

As an example, a telematics solution alone can generate ROI within 6-12 months, or less in some cases. A reduction in fuel bills is an immediate and obvious benefit of using telematics, but the reduction of repeat visits, the improved visibility of the fleet, the increased operational efficiency, not to mention happier and more loyal customers will all have a positive impact on the bottom line of any organisation.

By taking a holistic approach to the benefits of technology, and looking at integration of current, legacy systems with emerging field service management and telematics solutions can add much greater value and following this through with a planned implementation as part of a change management programme, organisations can generate a significant competitive advantage while streamlining processes and reducing costs.

MOBILE WORKFORCE ENGAGEMENT

Employee engagement and adoption is key to any business wanting to deliver its service through a mobile workforce. Company culture can get lost, internal communications can wane and remote workers can become disengaged with their company’s brand, a potential threat in the endeavour to deliver customer service excellence. An engaged employee is more likely to be loyal, consistent and cognisant of the business aims and if they understand the ethos of the company, be more willing to make the right decisions to underpin those values. Whether staying late at a customer site to finish a job, calling ahead if they are going to be late or simply driving in a manner that doesn’t affect brand reputation, front line staff can be the difference between a good and bad public perception.

Businesses are now employing regular training programmes to engage the workforce but as a younger generation start filtering in to the mobile workforce space, social media and M2M (machine to machine) communications may well become the norm and face to face contact will no longer be imperative to an employee.

This communication revolution may also mean employees bring their own devices to work and a BYOD (bring your own device) culture takes over with cloud applications simply being downloaded on to any device for mobile workers to utilise. This will also prove useful with those businesses employing contractor or temporary workforces where timed or limited access to cloud applications could become the defacto practice in Field Service Management.

SIMPLE STEPS TO REDUCE INSURANCE PREMIUMS

While reducing insurance premiums is a priority for many organisations, with policies and procedures in place to address this, our study revealed that a large number are not taking advantage of relatively simple approaches that can produce significant savings. For example, reducing the on-the-road incident rate not only reduces insurance premiums...
but also produces huge savings in terms of vehicle maintenance, lost productivity and reputation impact.

Service-based organisations typically spend thousands of pounds every year on fleet insurance and in many cases, not all vehicles are used all the time or in the same way, but the insurance still costs the same whether they are deployed or not. The emerging trend in the consumer market for UBI (Usage Based Insurance) is making in-roads in the commercial market with some insurers looking at fleet trends and individual driver behaviour to better assess risk for businesses and potentially offer premium discounts. Insurers are offering risk mitigation support in the form of assessments, training and technology solutions, including telematics, which provide an excellent platform for businesses to drive a safety culture in to their mobile workforce and reduce insurance and related costs. Despite the potential benefits, our study revealed a widespread lack of awareness of the role that technology can play in this area. With the UK offering some of the most expensive insurance policies in Europe and health and safety legislation becoming more prevalent, organisations need to continue their appetite to both protect their employees and the public by utilising the available tools to identify and manage the risks associated with fleet based workforces.

MINIMISING THE IMPACT OF FUEL PRICE HIKES

While government pressure for fuel price transparency has helped to produce a reduction in fuel prices in 2012, with the cost of petrol lower than a year ago, it is worth remembering that both petrol and diesel are at least 15p a litre more expensive than they were two years ago. The simple truth is that fuel costs are beyond the control of fleet managers and directors; however consumption is not. By simply reducing fuel consumption by a few percentage points, organisations with large fleets can make massive savings and protect themselves against future price hikes; simple policies to improve driver efficiency can play an important role here. This could be as ‘low-tech’ as introducing ‘how is my driving?’ stickers which are proven to improve safe driving (and therefore fuel consumption), or look at a driver training programme that teaches more efficient driving. Small changes in driver behaviour, vehicle condition and intelligent routing all make a significant difference to fuel use and can be controllable through driver education, better work scheduling and regular maintenance, servicing and even tyre pressure checks to minimise fuel wastage.

REAPING THE SUSTAINABILITY DIVIDEND

It is clear that legislation is a major driver of sustainability policies, but many organisations can reap significant benefits by taking a strategic approach to sustainability. Our survey found that organisations where sustainability plays a strong role in their policy are also those with the highest growth potential. While LCVs have only recently come under the EU spotlight, organisations can start now to prepare for the tough targets for reducing exhaust emissions. While the vehicle manufacturers are playing their part with the on-going investment in electric and alternative vehicles, ultimately in the short term the most effective way of reducing emissions is to reduce fuel consumption. ‘Pay as you pollute’ policies are no doubt coming and businesses will be responsible for the reporting of their emissions accurately as we all face a greener future. As consumer opinion moves, we hope, to a more environmentally responsible and accountable outlook, businesses will find that showcasing their green credentials will be essential from a legal and moral point of view with demonstrable targets and achievements being documented. It is not unlikely that a benchmarking system could come in to play with suppliers being rated specifically on their eco-friendly record.

Sustainability can be a daunting prospect with the breadth and depth of business areas it can relate to, ever expanding. However, for businesses with fleets, running a field service organisation, fuel is already a measurable cost and one that could undoubtedly be a target for reduction. With this in mind, it is a sensible and salient place to begin any programme linked with environmental or sustainable practices, which could not only reduce carbon emissions to create a cleaner world but also have a significant bottom-line impact.
Chapter 10.

METHODOLOGY

WHO DID WE TALK TO?

In order to complete this research, we conducted a series of interviews with 100 senior managers and directors in the service function, working with a clearly defined role in the management, or overseeing of field workers. As a requirement, respondents’ businesses needed to operate fleets of over 150 vehicles (comprising vans, CDVs, car-sized vans and light trucks). Business types were varied, primarily operating in the fields of communications, utilities, trade, waste management, Just-in-time distributors serving the retail sector and repairs and assistance services. The interviews were conducted by telephone in April and May. Due to rounding or ‘don’t know’ responses, some data sources do not sum to 100%.

The research was carried out by Proteus Research, an independent market research agency founded in 2000 by Jim Oliver and Andy Clayton, who both had prior experience working for major international research agencies, specialising in international automotive projects. Jim Oliver, coordinator of this project, has been researching the international commercial vehicle markets since 1986 and specifically telematics since 1990.

Proteus works for major brands in the automotive sector, conducting large-scale customer satisfaction studies through to highly sensitive new product development work across the globe.