How Service Organizations Will Overcome the Global Skills Shortage

Attracting and Hiring High Performing Field Service Technicians and Digital Workers

IFS

▌Introduction

Hiring has never been more challenging. As of August 2021, there were **one million more job openings within the USA than people looking for work**. Within Europe, the picture isn't any rosier. Many blame it on the global pandemic; others have a more regional view.

For instance, in the UK, a shortage of workers is being blamed partly on the country's departure from the European Union, as gaps left by European workers prove difficult to fill. In Australia, the skilled labor shortage in combination with COVID-19 has slowed production of iron ore—the country's most valuable export. And in Germany, 400,000 new workers are needed per year for the country to overcome its skilled labor shortage. And so on.

Attracting the right people is hard enough. But attracting high quality talent during a global skills shortage is even more difficult, especially for the elusive field service technician—a role that continues to rank in the **top five most challenging positions to fill**. Regardless of the cause, finding the best candidate, extending an offer, and retaining this valuable resource is critical to the business.

This whitepaper examines the current employment economy for service organizations, how and why we've arrived at this juncture, and what we can do to optimize our efforts to source and hire the very best field service talent.

One of the biggest questions field service leaders now face is how to drive the same levels of growth from a shrinking pool of workers.

-WBR Research

The Unique Attributes of a High-Performing Service Technician

The relationships we build and maintain with our customers are based on countless interactions, none more critical than the Moment of Service™ when our customers need us most. Whether delivered remotely or in-person in the field, customer service is one of our highest value activities.

Service technicians that are high performing employ a unique combination of technical acumen and soft skills such as empathy and flexibility in customer interactions. They consider themselves to be customer advocates while at the same time serving as brand ambassadors for the business.

The ideal service technician is inquisitive and knowledgeable. They are punctual, meticulous in their work, and pleasant in their interactions with customers. If the problem they're tasked to solve evolves into a different issue, they quickly pivot to a new remediation path.

These attributes align perfectly with the expectations of our customers, who want their technicians to arrive on time, diagnose the problem accurately, and complete the repair as quickly as possible. This unique blend of confidence and caring is critical in delivering personalized and seamless moments of service.

Sourcing candidates with all of these skills has always been difficult. But why is it so much harder to find the right people today?

51%

Field service technicians who rank solving customer problems as the best part of their day

-Service Council

Our Current Reality

There are many different forces at play contributing to the skills shortage. Along with predictable factors such as an aging workforce and the progression of new technologies, we must also deal with the unexpected. Enter the global pandemic.

The Pandemic

The arrival of COVID has forever altered how we interact, which has changed how we learn, work, and service customers. Digital platforms and remote work have become our norm. Business models have evolved, workforces are more distributed, and customer empowerment is at an all-time high. Most experts predict we will never go back.

All of these changes have created a cause-and-effect response for service organizations. For example, the shift to remote working has accelerated the adoption of technology that supports this model. Today, service interactions with customers can occur remotely with technicians working from the office or their homes.

A good example is merged reality (MR) technology, a mix of real and virtual worlds. During the pandemic, a North American utility implemented MR to enable service technicians to attend home visits remotely in support of social distancing guidelines.

With MR, the technician can guide customers through troubleshooting procedures and service activities—such as relighting a pilot light on their hot water tank.

The customer engages via computer or mobile phone. The technician walks them through the necessary

troubleshooting steps, interacting directly with the customer's on-screen display, calling attention to relevant actions by drawing on the screen, and ensuring each step is carried out safely and in the correct sequence.

Some organizations were already heading down this technology path and adjusted easily. Others are actively pivoting. Today, most decision-makers from service organizations are accelerating digital initiatives and investing in new technologies.
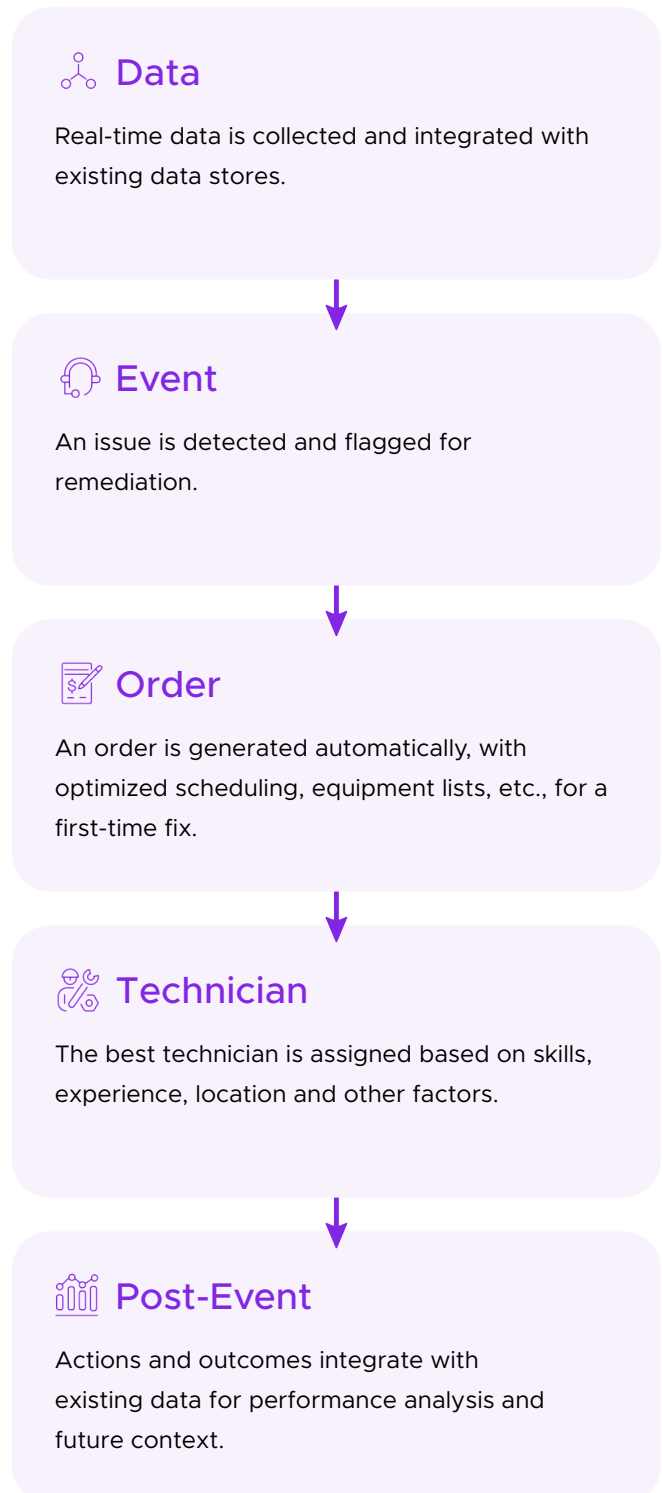
At the worker level, service professionals report that the pandemic has had a significant impact on how they work across all aspects of their jobs. This includes workflow and processes, technology needs, and customer engagement. These workers are under pressure to maintain or improve service levels while infrastructure and workflows are in a state of flux. For high performers, the inability to deliver consistently excellent results is frustrating and could motivate them to move to a company with a better technology commitment.

The Rapid Evolution of Service Technology

Along with digital and remote working solutions for pandemic-imposed protocols, new technology is also transforming and automating the operational workflows we use to serve our customers.

The following example focuses on a standard service order workflow. Using a modern workforce management solution, the organization can draw on the efficiencies of Artificial Intelligence (AI), Machine Learning (ML), real-time data, and automation to drive incredible improvements in service levels:

Data

Real-time data is collected and integrated with existing data stores.

Event

An issue is detected and flagged for remediation.

Order

An order is generated automatically, with optimized scheduling, equipment lists, etc., for a first-time fix.

Technician

The best technician is assigned based on skills, experience, location and other factors.

Post-Event

Actions and outcomes integrate with existing data for performance analysis and future context.

These advances in service technology help us work more efficiently, consigning repetitious tasks to the machines while focusing our most valuable resource—our people—on the highest value activities.

Yet this acceleration in innovation can also be disruptive. Not all workers are comfortable with new technology, especially more mature employees. In a recent survey, while 95% of millennials considered themselves tech-savvy, **only 81% of baby boomers felt the same**.

When faced with a combination of technological change and impending retirement, some older workers may decide to leave their jobs. With shorter remaining working lives, these employees have weaker incentives to acquire new skills and may retire early when facing rapid technological change.

In this way, technology can act as a double-edged sword. While younger workers expect—and even demand—the latest digital tools to get the job done, your most experienced employees may choose to step back.

Supply & Demand

Even before COVID, we felt the pinch of too many vacant jobs and not enough skilled applicants to fill them—across all industries and regions.

For example, the 2021 Transportation Technician Supply & Demand report reflects the worsening technician shortage within the industry, with **demand nearly doubling from 2020 to 2021**.

With the rollout of 5G, the telecommunications industry faces a critical shortage of skilled workers. In some countries, legislation is in place to boost training and other programs to create more supply. In New Zealand, **special visas are offered for telecommunications technicians** to attract international candidates.

The gig economy—when individuals and companies use digital platforms to exchange labor for money—has also contributed to shrinking supply. According to a recent study, **24% more people entered the gig economy** in the summer of 2020 compared to previous years. COVID accelerated this trend, with some service technicians choosing to leave fulltime employment to become independent contractors.

The gig economy continues to grow, **estimated to be worth $347B in 2021**.

Finally, the immutable truth is that we are simply getting older. By 2030 all baby boomers (people born between 1946 and 1964) will be at or past retirement age. COVID has fast-tracked this trend, with nearly **30 million American baby boomers leaving the job market**—many for early retirement—in the third quarter of 2020. Europe faces a similar fate, with the potential pool of **EU workers decreasing to 217M by 2050, down from 239M in 2015**. In fact, many developed nations are "graying" rapidly and are in desperate need of skilled workers to fill the void. In Japan, **nearly 30% of the population is older than 65 years**.

It's clear the current skills shortage we face as service organizations is due to a combination of factors, creating a perfect storm of too many opportunities and not enough skilled technicians to meet the demand.

$347 B

Estimated worth of gig economy in 2021

-Brodmin

How to Hire & Hold Onto Top Performers

Fortunately, there are concrete steps we can take to tip the scales in our favor in today's competitive job market. Follow these steps to optimize your hiring strategy and lead your field in attracting and acquiring high performing candidates:

1. Become the Best

The easiest way to attract talent is to become an employer of choice. This is an ongoing initiative, but once you've established your organization as a great place to work, many good candidates will come to you.

Start with your high-performing service technicians. Invite their input on how to acquire similar high performers. Ask them why they like working at your organization. Review their backgrounds and experience to spot trends such as education and previous employers, then target these proven sources of talent within your hiring strategy. Perform an honest review of your employee programs, benefits, and work environment. Identify what you do well and what must be improved. Think creatively and base new ideas in part on feedback from existing workers.

The pandemic has reinforced the interconnectedness of work and life. This should be reflected in how you support your employees. Today, organizations are offering new benefits such as care for children and seniors, hybrid

remote work models for a better work/life balance, pet insurance, and a range of other creative ways to support people in their day-to-day lives. Although these benefits may increase costs incrementally, the ROI in hiring and retaining top service technicians will easily offset these costs.

"We've been talent hunters for so long, we've forgotten how to farm. We must bring in people with the right aptitude, behavior, and a trainable skillset, then provide them with the technical training to do the job."

-Roy Dockery
VP Customer Care, Swisslog Healthcare

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□ 23%

Employees that can work remotely and want to continue post-pandemic
-Forbes

🐕 1 in 3

Fortune 500 companies that offer pet insurance to employees
-Employee Benefit News

💼 41%

Survey respondents that plan to offer senior care benefits to employees
-Harvard Business Review

2. Up Your Recruitment Game

If you're still publishing job postings on your website and hoping for the best, then you shouldn't be surprised when the quantity and quality of applicants misses the mark. In the same way we leverage amazing technology to serve our customers, we must apply the same standards to recruiting. Make sure you work with the experts – your Human Resources team – in building out this part of your plan.

An effective strategy relies on various recruitment tactics, from organic word-of-mouth to digital campaigns online and via social media. Leverage peer and professional networks. Many people still assume that organizations remain locked down, so get the word out. Advertise that you're hiring. Promote new openings internally and offer meaningful incentives to employees for referrals. Revisit previous hiring campaigns and see if any candidates merit further consideration.

Job postings are still essential, but it's time to break out of the traditional template. Top hiring companies include accurate salary ranges, honest descriptions of the role, and clear expectations of the successful candidate. Share why your company is such a great place to work, including the benefits and activities that make you unique.

Finally, review what the experience is like for the short-listed candidates and identify areas for improvement. How long are people waiting for follow-up calls, next steps, and outcomes? In such a competitive market, these candidates are likely considering multiple opportunities. A negative interview experience could be the deciding factor in declining your offer.

Apply the same critical eye to the onboarding process for new hires. Research indicates that excellent employee onboarding **improves retention by 82% and productivity by 70%.**

◯ 82%

Improvement in employee retention with great onboarding. - **Brandon Hall Group**

◯ 70%

Improvement in employee productivity with great onboarding. - **Brandon Hall Group**

3. Be a Career Builder

With the trend towards early retirement, your biggest talent pool consists of younger candidates. Many are in the early stages of their careers and will be attracted to opportunities with organizations that are willing to invest in them.

Provide (and promote) training and mentorship opportunities. According to Deloitte, 32% of service organizations build knowledge transfer programs to pass on skills between retiring and new workers.

🧠 **32%**

Service organizations building knowledge transfer programs for pass on skills

A recent example of investing in the future is the announcement by Stanley Black & Decker in September 2021. The company is committing $25 million to support worldwide skills training and reskilling programs in the construction and manufacturing sectors. The goal of the program is to skill and reskill up to 3 million people over the next five years.

Additional support for newer technicians includes providing access to senior personnel via live video or other digital platforms. These senior leaders can help guide the technician through the repair so they can learn in the moment. This model also provides more first-time fix outcomes and faster times to resolution.

Share information about your development initiatives with potential candidates so they are aware of the support they will receive to learn and grow in their careers.

"Many people don't realize that I started in the field, progressing in my career through five different roles to become VP of Customer Care. This is a story I share so people will understand the longer-term career potential within Field Service."

-Roy Dockery
VP Customer Care, Swisslog Healthcare

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4. Focus on Skills, not Just Experience

To widen your talent pool, and with so few candidates in the market, it's important to expand hiring criteria beyond hard years of experience.

Consider the foundational skills of a field service technician. Does the applicant have the right behavior and basic skillsets? Are they trainable? Will they learn quickly? Do they have the communication skills and emotional intelligence to interact well with customers in a high-stress environment?

Soften the criteria in your job postings so that qualifications are more flexible. Remove or reduce the required years of experience, educational requirements, and industry knowledge. There are many excellent candidates that may not have an associate or bachelor's degree, but if this is the criteria for the role, these candidates will eliminate themselves without submitting an application.

"There's been an underlying assumption that if a candidate has X degree or Y experience, then they have A, B, and C skills. Now, with the way that information is available, skills can be acquired in so many different ways."

-Bonnie Anderson
Global Manager of Talent Acquisition & Future Talent, Tetra Pak

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5. Think outside the Full-Time Employee (FTE) Box

Sometimes market conditions work against us, and no matter how well we promote our company and culture, the talent simply isn't there.

Rather than impacting how we serve our customers, we must pivot to a more flexible model that incorporates contractors, freelancers, and other non-FTE workers. Consider tapping the gig economy where many talented technicians are working independently. **According to Gartner**, this is an emerging trend post-pandemic, with organizations expanding their use of contingent workers to maintain more flexibility in workforce management.

Technology can help. As we saw with the merged reality use case, service technicians don't need to be based in your local market. Instead, expand your talent pool by incorporating qualified remote workers and providing them with the technology to engage directly with customers from afar.

6. Invest in Technology to Create Efficiencies and Attract Skilled Workers

Leaders recognize the need to adopt new technology to maximize scarce labor resources, support blended workforces, and ramp up new hires as quickly as possible. Technology helps us meet pent-up demand and resolve backlogs from COVID-19 shutdowns and delays.

For example, automation offloads time-consuming tasks, increasing efficiencies with fewer resources. Technology also supports faster onboarding of new workers, providing access to knowledge artifacts and remote support to help speed up proficiency and productivity.

A strong technology commitment also appeals to the younger candidates in your talent pool. Having cut their teeth on technology, these applicants will gravitate toward career opportunities that incorporate new and innovative tools to support them in their work. Examples include:

Knowledge Management: Automated data capture, user-friendly mobile apps with prompts and guides to complete tasks, knowledge transfer from more experienced techs to new recruits.

Remote Assistance and Augmented/Merged Reality: Extend the reach of experienced team workers in central or remote locations to help support and train new technicians in field.

Planning and Scheduling Optimization: Allocate technicians more efficiently and in real-time to reduce overall staffing levels. Ensure service engineers have the right parts, skills, and certifications to complete the job on the first visit.

Machine learning and the IoT: Diagnose the fault on a piece of equipment or connected asset using software and historical data with limited reliance on technicians.

Fortunately, many organizations are evolving their technology infrastructure to better serve their employees and customers.

Summary

Use all of these recommendations to help build a framework for your strategy to hire and retain high-performing field service technicians.

It's natural to look at people metrics to determine the success of your efforts, for example, the number of qualified applicants, candidate pools, accepted offers, and other wins. Although these are good early indicators of success, you must track additional key performance indicators (KPIs). These include customer satisfaction scores, SLA performance, first-time fix rates, time to resolution, and other metrics specific to service.

These results directly reflect the success of your strategy and ultimately your ability to attract, hire, and retain the very best field service technicians, despite the global skills shortage we face.

Service Excellence

Here are three examples of service organizations that have invested in technology to support their field technicians. Along with new innovations to help workers connect and collaborate, these companies are also achieving greater efficiencies in scheduling and other measures to optimize every minute in a field technician's day.

Munters

Munters is a leader in energy-efficient air treatment and climate solutions. The company is incorporating IoT, AI, and remote assistance so field technicians can collaborate remotely with third-line support.

Listen to Roel Rentmeesters, Director of Global Customer Service at Munters, discuss how they have been tackling the challenges of the COVID-19 pandemic in a very tactical way.

[Listen to the Podcast]   [View Case Study]

EMCOR

EMCOR Group is a global leader in mechanical and electrical construction, industrial and energy infrastructure, and facilities services. The company built a custom portal to onboard new technicians and manage job allocations for a network of over 60,000 subcontractors.

Listen to Greg Lush, previously VP of Innovation a EMCOR, discuss tips for a successful digital transformation.

[Listen to the Podcast]

CUBIC.

Cubic Transportation produces and markets public transport fare reading and payment systems for the transportation industry worldwide. The organization relies on field service management technology that incorporates AI and advanced algorithms to optimize the scheduling of engineers in the field.

Learn how Mike Gosling, IT Service Platforms Manager at Cubic Transportation Systems., is building outcomes-based service success.

[Read Article]   [View Case Study]

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Sarah is a well-known figure in the industry having served for more than a decade as Editor-in-Chief of Field Technologies before creating the Future of Field Service platform in late 2018. As a writer, podcast host, and keynote speaker, Sarah is passionate about aiding businesses in realizing the full potential of service.

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Future of Field Service is an educational resource for service leaders to gain knowledge and perspective to help shape their organization's journey into the future. The platform provides objective insight, success stories of service business transformation, firsthand perspective from service leaders on foremost service topics, and analyst perspective on industry trends. Our mission is to focus on sharing the voice of the industry – in their words – and to share real-world stories of trials and triumphs.

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IFS develops and delivers enterprise software for companies around the world who manufacture and distribute goods, build and maintain assets, and manage service-focused operations. Within our single platform, our industry specific products are innately connected to a single data model and use embedded digital innovation so that our customers can be their best when it really matters to their customers – at the Moment of Service™.

IFS is repeatedly recognized as a leader by industry research firms, including Gartner and IDC.
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