

# 2002 Salary Survey

## Service technicians: Discontent, but loyal

By: Brent Hoskins, Office Technology Magazine

He's been in the industry for 6.5 years, earns a base pay of \$32,234 and is approaching his 37th birthday. He's a dedicated employee, with 5.5 years under his belt at his current job. And, if he's like the majority of his colleagues in the industry, he plans to stay with his current employer for at least another 10 years. Today, the copier dealership service technician possesses an uncommon degree of loyalty — but is he happy?

A recent survey of 3,233 service technicians, conducted by CopierCareers.com, reveals a high level of dissatisfaction with compensation, benefits and the level of recognition they receive in the workplace. In fact, 34 percent indicate they are either “dissatisfied” or “very dissatisfied” with all aspects of their jobs, while 35 percent indicate they are simply “neutral” in their opinion.

Fortunately, the situation may not be as bad as it seems for employers, says Paul Schwartz, president and owner of CopierCareers.com, a Minneapolis, Minn.-based recruiting firm serving the document imaging industry. The survey results, he says, reveal that beyond compensation and benefits, much of the service technicians' dissatisfaction can be resolved without any monetary expense.

The irony, says Schwartz, is that technicians have more ability to influence their compensation and work environment than they may realize. The survey results serve to confirm his suspicion that there is a shortage of new technicians entering the industry. With the law of supply and demand, says Schwartz, technicians may have the upper hand.

This year's Salary Survey, the fourth for CopierCareers.com, was conducted via the company's Web site. All of the respondents were verified against e-mail addresses to ensure no one completed the survey more than once. Partially completed surveys were rejected.

A majority of the respondents, 2,011 of them, identified themselves as “field service technicians,” while 1,124 are “senior lead technicians or team leaders,” exercising some supervision over 10 or fewer employees or contractors. Ninety-eight of the respondents are “house technicians,” working in-house, rather than in the field. (The May issue of *Office Technology* will feature a report on the survey results of a second group of respondents — service managers.)

A sizeable majority of the respondents, 64 percent, work at independent dealerships with one location. Fifteen percent work for regional dealerships with multiple locations, while the balance work for a company like IKON and DANKA, an OEM, a third party service organizations or some “other” type of company. The majority, 58 percent, work for dealerships with \$1 million to \$10 million in annual revenues; 22 percent work for dealerships with annual revenues of less than \$1 million. Eighty-four percent of the respondents work at companies with less than 50 employees, 36 percent of which have less than 25 employees. As implied, the vast majority of the respondents are male — 94 percent. All but 2 percent are U.S. citizens.

Recently, Schwartz and Lynn Merklings, senior recruiter for CopierCareers.com, discussed the significance of the survey results with *Office Technology* magazine. Many of their comments, reflecting their experience and observations as recruiters, appear below, along with the survey questions and responses.

### Question 1:

How many years have you been in the copier profession?

Average total years

6.5

Schwartz: This doesn't surprise us. It affirms that there are not a lot of people coming out of tech school who are becoming copier technicians. I think if that were the case, the average number of years in the profession would be between one and a half and three years. This is one of the most important things that I glean out of the survey results — that new copier technicians are not being created every day.

The great challenge we have moving forward is that no one is teaching new people to be technicians. We went through a period in the 1990s where, frankly, being a copier technician was, for lack of a better word, not considered “sexy.” The skill set that you needed applied very well to other industries. So, we had what we call the brain drain. We had the candidates that we needed going into other professions, namely IT and IS. And you didn't see them migrating over to copiers, which were considered an old technology industry,

which is certainly not the case.

As we move forward, there are just not enough technicians, not enough people going into the industry to keep pace with the positions available. The answer to this question just blew us away. You don't see people who are in professions for six and a half or seven or even five years anymore. People move around.

**Question 2:**

What is your highest level of education?

High school graduate	2002
Some college	433
OEM training	599
Tech/trade school	199
AA degree	0
MBA	0

Schwartz: When we got into this business, there were tech school programs all over the country that taught office products technology, if you will. They used to call it "business machines technology" and things like that. Those programs don't exist anymore. There are a couple of programs that we know of across the country that train entry-level technicians that teach basic xerographic process. One of them is in a prison in California — not a real attractive place to get people.

The bottom line is, it used to be that people came out of schools somewhat trained for a profession in our industry. Nowadays, it's all controlled by the OEMs. And, in order to get to the OEM training, you have to first get hired. That's where the disconnect in this whole thing is. Everyone wants trained, ramped up people. The problem is, the trained, ramped up people are already working at somebody else's dealership.

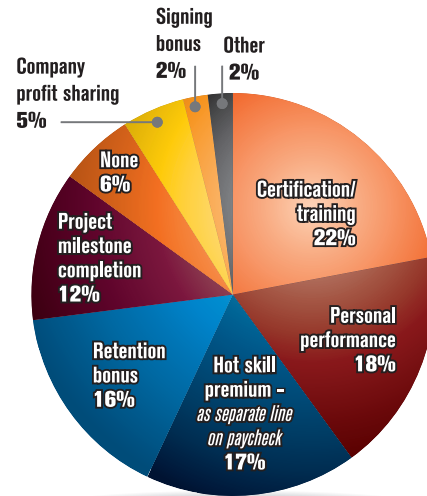
**Question 3:**

Please specify your current annual base salary:

Average annual base salary	\$32,334.00
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Schwartz: We are seeing more dealerships pay their technicians based on their performance. This is a new thing, and I don't know how far it is going to go, because it's a different mindset for technicians. What we're starting to see is, "If you'll make X number of service calls in a day, we're going to reward you." Owners tell me the downside to that is you can have people trying to knock down service calls so fast that there is no accountability for what happens at the service call, or reliability of performance. We're also starting to see more companies reward their employees for simple things, like consistency in showing up on time.

The other telling thing I find very interesting — and you would



**Question 4:**

Of the bonuses and other direct cash payments you receive, please specify the primary reasons for them.

not have seen this on a survey two or three years ago — is retention bonuses. This has become a huge, huge issue in our industry. If you go in and try to recruit a technician from one of the larger publicly traded companies, they'll meet with that tech and do one of two things. They'll either give the tech a bonus or they'll bump the tech up a pay grade.

Three or four years ago the philosophy was, when a tech walked in to quit, he was fired. There were just no ifs, ands or buts. It was, "Don't let the door hit you on the way out." Nowadays, owners and service managers are saying, "You know what, I'm going to have to replace you, and I don't have enough people right now anyway." The best option is a bonus or a pay raise. It's probably a horrible HR option, but if you've got \$20,000 of training in a technician you may have to give that person a bonus not to quit. You may not want to go through the hassle of finding a new technician. You would probably have to train a new hire from ground zero, and that may take a year and a half. You know what? It's maybe not the smartest thing, but business-wise, you might as well give your current technician a bonus and hope he stays.

Unfortunately, this is a very realistic reflection of what's going on in the industry. This is where we really have got to do a better job of bringing more people into the industry.

Merkling: Sometimes technicians "work it" and go on interviews. They don't necessarily want to leave the dealership, but they go on interviews and see that somebody else will offer them \$15 an hour, instead of \$13 an hour. They go back to their boss and say, "This other company is going to pay me \$15 an hour." The boss will often consider matching the salary, rather than trying to find another person.

**Question 5:**

Please specify your previous year's annual base salary:

Previous average annual base salary	\$31,111.00
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**Question 6:**

Please specify the total amount of any bonuses and other direct cash payments you received last year:

Average bonus/cash payments	\$3,430.00
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Schwartz: For some reason, and we don't know why, we're starting to see the resurgence of the company vehicle. We saw clients going away from that a few years ago. Now they appear to be going back to it.

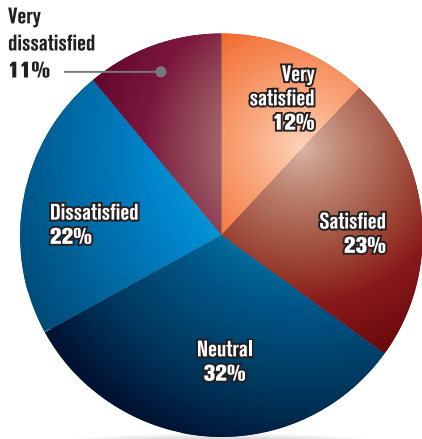
IKON and Danka are going away from company vehicles and to giving reimbursements, because it makes the candidate feel like he or she is earning more money. Depending on how long the tech has been there, they will give the tech X number of dollars per month to go out and lease a car. If you think about it, it's a very good way to retain someone. Because if you have a candidate who is working at IKON who has signed a two-year lease at \$400 a month for a truck, and you have company vehicles, the company vehicle doesn't mean

**Question 7:**

Please specify the type(s) of non-cash and indirect cash rewards you received during the past 12 months:

Health benefits	92%
Company car or car allowance	62%
Certification reimbursement	54%
Further education/training	34%
401(k) match	31%
Tuition reimbursement	19%
Stock options	17%
Stock purchase plan	9%
Company-paid phone/fax/cable modem/DSL lines	8%
Sabbatical/extended vacation	3%
Health club membership	1%
Day care or day care subsidy	1%

anything to the technician. You can't get the technician out of the lease. No matter what, that car is still sitting in his front yard. If the technician has 18 more months left on his lease, the recruiting dealership is just going to have to pay the lease payments for 18 months.



**Question 8:**

Overall, how satisfied are you with your total compensation package?

Schwartz: I find this to be fascinating. It fits with what we see every day. Only 35 percent of people who responded to this are completely satisfied with what they are being paid. If I were a dealership owner that would really concern me.

**Question 9:**

What matters most to you about your job? Please check up to 7 of the job-related issues that are the most important to you.

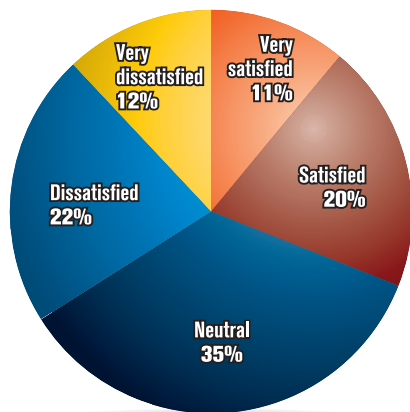
Base pay	56%
My opinion and knowledge is valued	54%
Having the tools and support to do my job well	51%
Skill development/educational/training opportunity	43%
Benefits	41%
Recognition for work well done	34%
My work (job) is important to the company success	29%
Potential for promotion	24%
Vacation time/paid time off	23%
Telecommuting/work at home	22%
Ability to work on creating "new" innovative IT solutions	21%
Job stability	20%
Regular coaching and feedback on performance	20%
Ability to work with leading-edge technology	19%
Bonus opportunities	18%
Flexible work schedule	18%
Company's understanding of the importance of IT	18%
Casual attire	17%
Challenge of job/responsibility	16%
Geographic location of job	15%
Job atmosphere	15%
Commute distance	14%
Effective career path planning and support	13%
Effectiveness of immediate supervision	12%
Financial stability of company	12%
Understanding the company's business strategy	12%
Commitment throughout the company to quality work	9%
Involvement in company strategy setting and determining goals	9%
Corporate culture and values	8%
Prestige/reputation of the company	8%
Company provided laptop/home PC	6%
Seeing how my job helps achieve company goals	6%
Sense of community in my work group	4%
Working with highly talented peers	4%
Working with a start-up company	4%
Stock options	3%
On-site child care	1%
Domestic partner benefits	0%

Schwartz: This definitely affirms what we see every day. It is interesting that three of the top six responses really have nothing to do with money. It's "my opinion is valued," "having tools and support," "skill development," then it drops to "benefits" and "recognition for a job well done." That really hits home with the profile of a technician. A pat on the back means everything in the world to these employees. Give them the old "at-a-boy." You can get a lot of bang for your buck with them if you do that.

A lot of times people ask, "What can we do to keep people like you (CopierCareers) from recruiting our technicians or enticing them to leave?" I think the answer is right here in number one through six.

We've worked with clients who have lost a tech or two techs and are just devastated by it. Maybe for six months they'll be on top of this thing (complimenting and encouraging the new technician), but they get complacent. We all do. This is something that you really have to pay attention to. It fits with the response to the earlier question — that more than half of the people are dissatisfied with or neutral about their total compensation package. In my experience, this goes hand in hand.

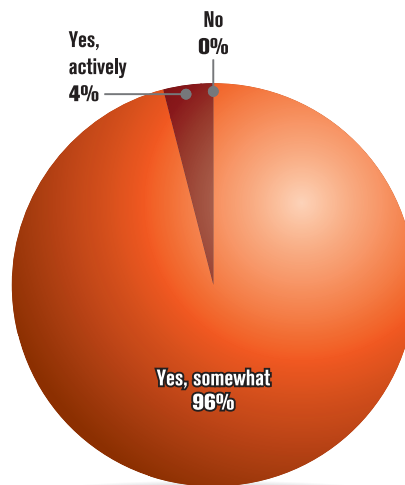
Merkling: Think of how much happier they would be if you take the time out to acknowledge technicians and say, "Hey, you guys are doing a great job, and you know what, this client called and said he really liked your work." Or, just ask, "What do you think?" Ask for their opinion. It's something that doesn't cost the employer anything. They feel appreciated and, therefore, they are happier in their job.



**Question 10:**  
Overall, how satisfied are you with all aspects of your job, including compensation, benefits and other aspects of your employment relationship, such as those listed in the previous question?

Schwartz: Once again this should be a real wake-up call to dealership owners, that more than half the people in the survey are dis-

satisfied or neutral. They're not happy. If I were a dealership owner, this would scare the heck out of me. The good news is — if you look at the survey results — their dissatisfaction is not necessarily tied to money. So, it's a resolvable issue, and probably not a money issue. It does appear to all fit together.



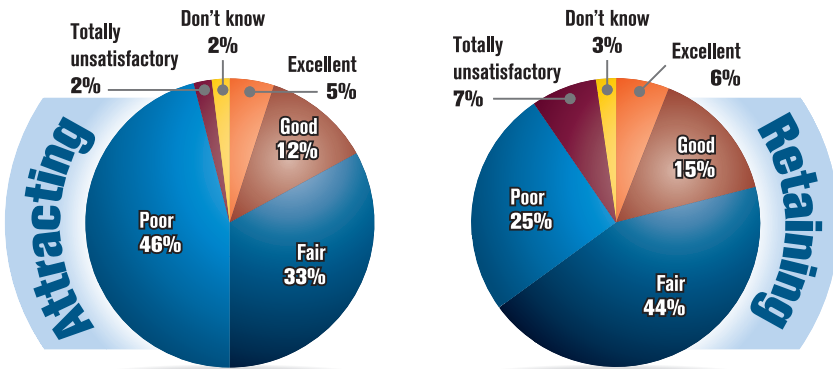
**Question 11:**  
Are you currently looking for a job with a different employer?

Merkling: That just means, if something better comes along they will always check it out. We frequently hear that from service technicians we are working to recruit.

**Question 12:**  
If yes, why are you looking for a new job?

Seeking less stress	61%
Move to a different geographical area	51%
Higher compensation	48%
More job stability	46%
Don't like present company's management/culture	34%
Personal/family needs	34%
Job market opportunities are too good to pass up	23%
More interesting work	18%
Stock options	11%
More dynamic company	4%
More responsibility	3%
Want to join a startup company	2%

Schwartz: This fits with what we see every day.



**Question 13:**

Compared to its peers, please rate how good a job your company does at attracting and then retaining copier industry employees:

Schwartz: These are pretty telling numbers and are representative of the kind of culture that the technician and the employer operate in. Unfortunately, it verifies the stereotype of the industry. I think these numbers are probably pretty indicative of what's going

is the technician. It would be nice if that person were happy.

If dealers would stop for a minute and think about it they would say, "Outside of accounts receivable, my technicians are the only employees who deal with every single customer that I have." Don't you have a real vested interest in making sure that person is happy?

Merkling: I think this ties into the need for technicians to be told they are doing a good job. If they are not, the companies are viewed as being kind of cold about their employees — "Be glad you have a job, here's your salary, don't expect frosting with this; you got a hunk of cake, eat it and be happy." If technicians felt like their opinions were being listened to, I think the answer to this question would be significantly different.

How good is the dealership at attracting and then retaining technicians? Attracting is the "base pay" part. If they have an attractive base pay, that gets them in. If the dealer principal or service manager will just reward technicians or pat them on the back once or twice a month and say, "Thanks, you're a great employee," any retention problems would be solved. ■

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