

2004 Service Technician Salary Survey

Technicians prove once again that they are a model of consistency within their dealerships.

by Scott Cullen

Take a close look at the average service technician and you're likely to find an individual who is consistent in their work habits, consistent in their job and consistent in their personal lives. At least that's the assumption one can make based on anecdotal evidence and the results of the 2004 Service Technician Survey from CopierCareers.com, a recruiting organization focused on placing experienced imaging professionals within independent dealerships across the United States.

Who's Who

This year's survey had 3,528 respondents, up from 3,422 in 2003. Job functions run the gamut from house technician (48), to field service technician (2,268) to senior lead technician/team leader (1,212). Most respondents (61%) work for independent dealerships with one location. The remainder are employed by regional dealerships with more than one location (16%), national public traded sales and service organizations (10%), OEMs (6%), third-party service organizations (2%), and other (5%). The majority of respondents (52%) work for companies with 25-50 employees. Fully 29% work for companies with less than 25 employees.

In a male dominated industry, 94% of techs responding to the survey were male. Annual revenues for those dealerships where these techs work range from less than \$1 million (21%), to \$1-\$10 million (53%), to \$10-\$50 million (21%). Only 3% of respondent's companies posted revenues of \$51-\$100 million and just 2% posted revenues above \$100 million.

The average age of respondents is 36.2 years, a slight increase from the 36.1 years of last year's respondents. Respondents have been in the business a total of 7.1 years, down from 7.2 years in the 2003 survey, reflecting a larger number of new respondents to this year's survey.

Money Matters

In this third year of the survey, responses were fairly consistent with the surveys of the previous two years, although there were some interesting variations. Perhaps the most notable variation was in current base salary which jumped from \$33,144 in 2003 to \$35,106 this year, an increase of \$1,962.

While base salaries were up, bonuses were down \$164 compared to the previous year. In the 2003 survey, techs earned \$3,492 in bonuses but in the 2004 survey, that figure dropped to \$3,328. The biggest drops were in Project/Milestone Completion (-14%) and Hot Skill Premium as separate line on paycheck" (-15%). Signing bonuses were also down by a total of 5%. Responding to the decline in bonuses and other cash compensation, CopierCareers.com President Paul Schwartz attributes the trend to a belt-tightening mentality spanning the office equipment industry. "Salaries have to do what they have to do to stay competitive, but bonuses dropped by the wayside because companies have had to cut back a bit."

In the digital age, certification and training are critical, and that's one area where techs are being acknowledged by their employers, with 54% earning bonuses in this area. That represents a 40% increase from last year's survey. "Having certification is reflecting more on a technician's

Which of the following best describes the "SEGMENT OF" industry in which you work	2002	2003	Variance	2004	Variance
Independent Dealership with one location	64%	62%	-2%	61%	-1%
Regional Dealership with more than one location	15%	17%	2%	16%	-1%
National Publicly traded sales and service organization	4%	6%	2%	10%	4%
O E M	1%	5%	4%	6%	1%
Third Party Service Organization	8%	1%	-7%	2%	1%
Other	8%	1%	-7%	5%	4%

Please specify your current annual base salary				
2002	2003	Variance	2004	Variance
\$32,334.00	\$33,144.00	\$810.00	\$35,106.00	\$1,962.00

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If you have been granted stock options during the past 12 months, please estimate their current value

Year	Value	Variance
2002	\$8,520	
2003	\$2,112	
		-\$6,408.00
2004	\$1,103.00	
		-\$1,009.00

“Some dealers know exactly what models they want the tech to work on,” says Schwartz. “In the analog days, a box was a box.”

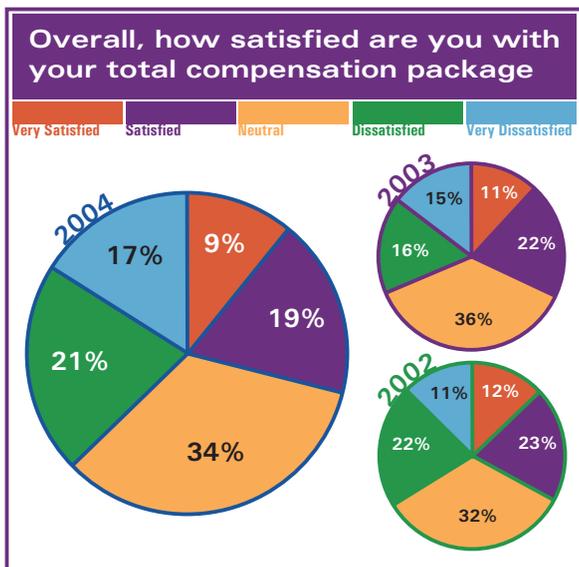
Outside of those areas, responses were up or down between 1% and 2% from the previous survey when it came to bonuses or cash compensation for Personal Performance (2%), Company Profit Sharing (-2%), and Retention Bonus (1%).

When it comes to non-cash compensation, consistency was once again the rule, particularly in such areas as Sabbatical/Extended Vacation (1%), Stock Purchase Plan (1%), Health Benefits (93%), where responses were virtually identical to the previous year. On the downside were Stock Options (-4%), 401(k) Match (-3%), Further Education/Training (-2%), and Company Car or Car Allowance (-2%). Positives were Tuition Reimbursement, up 4% to 15% from the previous year and, surprisingly, Day Care or Day Care Subsidy, up 1% to 2% from 2003.

Stock Options continue on their dramatic three year decline. In the first year of the survey, techs estimated the value of their Stock Options at \$8,520. Last year that value nose-dived by more than \$6,000 to \$2,112. This year techs estimate the value of their stock options as a modest \$1,103 or \$1,009 less than last year. “Three years ago bonuses and stock options were a bigger part of a tech’s compensation,” explains Schwartz. “Over the past three years things have gotten back to traditional employment issues for techs—their commutes, is management good and honest people and will I be rewarded for my work?”

Job Dissatisfaction

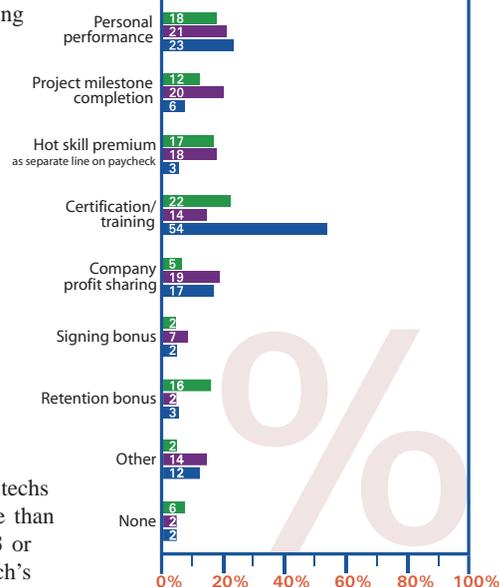
If one thing is clear from this year’s survey, it’s that respondents aren’t exactly satisfied with their jobs. Only 9% of respondents were Very Satisfied and 19% Satisfied with their jobs. Fully 34% were Neutral when it came to job satisfaction, followed by 21% who said they were Dissatisfied and 17% who were Very Dissatisfied. The latter two increased by 5% and 2%, respectively over last year. Clearly, employers need to take those responses into consideration and think about what they can do to improve the satisfaction levels of their techs.



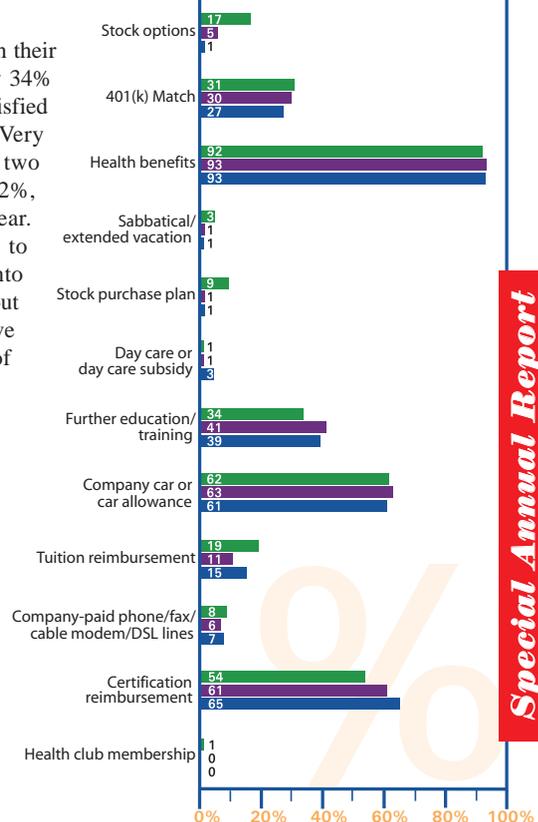
While respondents have been with their current employer for 5.5 years—exactly the same as last year—1,321 of the 3,528 respondents says they expect to change jobs. That’s 453 more than last year. But when asked how many years they expect to stay at their current jobs,

paycheck,” notes Schwartz. He also notes that more techs are expected to have greater knowledge of certain products and certain models, which may also reflect why techs are being compensated for their training.

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



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



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the response was 5.2 years, down 4.3 years from last year when respondents noted they expect to stay at their current job for a total of 9 ½ years compared to 10 years in the 2002 survey. “This is significant and interesting that this figure has dropped in half,” observes Schwartz. “That’s telling us perhaps employees aren’t as confident they’re going to stay in the industry or that their company will be around.”



No surprise that the majority of these folks are considering employment elsewhere. “This isn’t a career that leads to a lot of promotion,” observes Dave Grandelis, director of recruiting at CopierCareers.com.

Although only 12% are actively looking for another job, 63% are “somewhat” looking and 25% are not looking at all. Those numbers match up with the satisfaction level figures. When asked what matters most to you about your job, the top responses were Base Pay (64%), Benefits (61%), My Opinion and Knowledge is Valued (56%), Having the Tools and Support to Do My Job Well (54%), Job Stability (54%), and Financial Stability of the Company (54%). “This is all a reflection of the times we live in and techs, like many other people, are looking for greater stability,” says Schwartz.

Time Not on Their Side

This is a busy group, working an average of 50 hours per week, up from 47 hours in 2003 and 46 hours in 2002. In addition to their traditional working hours, respondents note that they are on call additional an 4.8 hours per week to solve problems after hours. That’s up slightly from 4.7 hours in 2003.

Schwartz attributes this increase to the fact that there wasn’t a lot of hiring going on during the first three quarters of last year and as a result companies were expecting a higher level of productivity out of their existing workforce. As a result, techs were pulling more service calls. “But you can only stretch the field force so far,” Schwartz cautions. “This creates more pressure on technicians.” No wonder seeking less stress is the top reason techs are keeping an eye out for other employment opportunities, up 7% from last year.

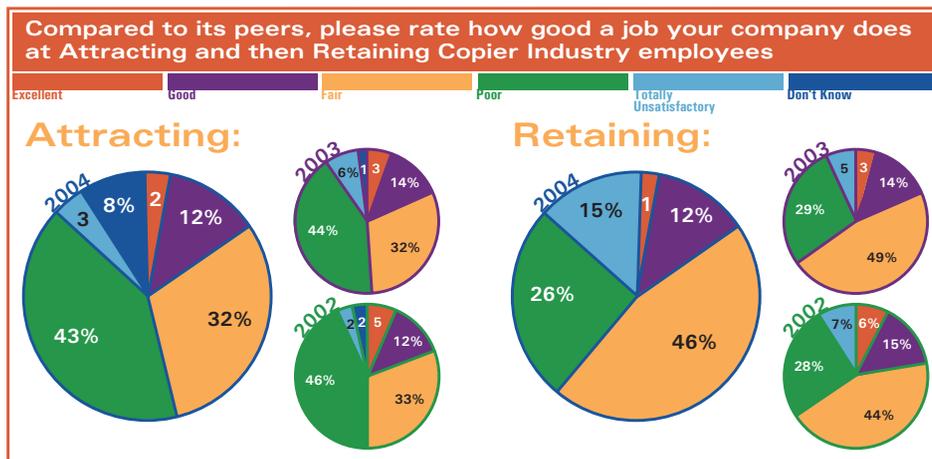


Adds Grandelis, “This is making them unsatisfied with their jobs and their employer and is reflected in the numbers in this year’s survey. But good employers and good management know how to deal with that, and how to take care of their employees.”

Meanwhile, Schwartz sees things changing on the hiring front. He notes that during the fourth quarter of last year, hiring has been on the rise. “It’s up dramatically,” says Schwartz, who feels the decision to cut back on hiring has caught up with a lot of dealers, and many are now looking to bring on additional staff.

Company Culture

Technician’s dissatisfaction with their current employer is clearly reflected in their responses to the question, “Compared to its peers, rate how good a job your company does at attracting and retaining copier industry employees.” Fully 43% felt their companies did a poor job in attracting talent and 3% found their employer’s efforts totally unsatisfactory.



That contrasts with 2% who felt their employers did an excellent job, 12% who rated employer’s efforts as good, and 32% who said those efforts were fair. Another 8% said they didn’t know. When it comes to retention, 26% felt their employers did a poor job and 15% felt their efforts were totally unsatisfactory. Only 1% rated their employer’s efforts in retaining employees as excellent, while 12% rated their employers as good and 46% rated their employer’s as fair in this area. Meanwhile, 15% didn’t know.

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Making a Move

When asked why they are looking for a new job, the biggest reasons were More Job Stability (61%), Seeking Less Stress (59%), Move to a Different Geographical Area (54%), Higher Compensation (51%), Personal Family Needs (36%), Don't Like Present Company's Management/ Culture (29%), Job Market Opportunities Are Too Good To Pass Up (27%), and More Interesting Work (19%).

At first blush, a move to a different geographical area seems to go against the grain of consistency in a tech's profile but Schwartz observes it has nothing to do with consistency but more to do with cutting down on their commutes to work as well as career advancement. He reports that many techs will leave a position for one that is closer to their home. "That's a huge deal," says Schwartz. "Cutting down on their commute is important. If they're working an extra three hours per week and add in their commute time, that's a big chunk of time out of their lives. It's time many of them would rather spend with their families."

Mobility also offers other benefits. "One way a technician can advance in the industry and work with a decent employer is if they are mobile and have certification," says Grandelis. "There are jobs out there and techs don't have to be stuck to one locale."

Final Thoughts

Although the results of the 2004 Technician Salary Survey aren't radically different from years past, it yields some interesting insights into this valuable employee within a dealership. Consider that while the sample base continues to get larger, the responses remain consistent. "These responses are remarkable in their levels of consistency," says Schwartz. "These numbers fairly reflect what our industry recruiters see daily in the employment marketplace" and what's going on, shouldn't be ignored by the dealers who employ these skilled technicians.

"Technicians like to be noticed, commended for their work and want the same benefits that are provided to people in the back office," says Schwartz. And because these technicians are valuable employees, whether or not they're acknowledged by their current employers, Grandelis opines, "These techs are never going to be unemployed."

Adds Schwartz, "If I were a service manager, I'd be listening to these people's concerns about their jobs and about their employers. In this survey, they're saying they're looking for management to give them a pat on the back and let them know how they're doing and how they're performing." ❖

Why are you looking for a new job?	2002	2003	Variance	2004	Variance
Stock options	11%	1%	-10%	0%	-1%
More dynamic company	4%	1%	-3%	2%	1%
Personal/family needs	34%	32%	-2%	36%	4%
Want to join a startup company	2%	1%	-1%	1%	0%
More job stability	46%	59%	13%	61%	2%
Move to a different geographical area	51%	58%	7%	54%	-4%
Higher compensation	48%	47%	-1%	51%	4%
More responsibility	3%	6%	3%	4%	-2%
More interesting work	18%	21%	3%	19%	-2%
Don't like present company's management/culture	34%	24%	-10%	29%	5%
Job market opportunities are too good to pass up	23%	26%	3%	27%	1%
Seeking less stress	61%	52%	-9%	59%	7%



About Scott Cullen

Scott Cullen has been writing about the office equipment industry since 1986. He is currently editor of Office Solutions and Office Dealer magazines and a contributing editor to ENX magazine as well as a frequent contributor to other industry publications.

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About Copier Careers Pictured: Paul Schwartz

Copier Careers is a niche recruiting firm serving the Document Imaging industry. A very unique company bringing candidates and clients together across the country. They specialize in the recruitment of with Executive Level Management. Because of the specific nature of the company, Copier Careers' experienced recruiters are sourcing agents for the Independent Copier Dealer Network and related companies.

Copier Careers can be reached at: 888-733-4868 and mail@CopierCareers.com