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SERVICE & OPERATIONS MANAGER SALARY SURVEY



Regardless of what your job title is, where you live, or which type of copier channel employer you work for, there is no denying that innovations in managed print and managed network services have rapidly changed our industry in fundamental ways.

Even as the copy machine itself has become increasingly commoditized, the copier channel has grown in value as a delivery mechanism for services and solutions. Many copier channel businesses are now experiencing unprecedented organic growth, and their employees have been challenged to learn new skills, embrace new technologies, and implement new ways of working—whether they like it or not. Nobody knows this better than service and operations managers.

1,772

service and operations managers participated in this year's survey

Since 2002, Copier Careers has conducted yearly surveys of copier service technicians, sales managers, and service managers. In 2011, we added a fourth survey of sales representatives. These surveys track a variety of data and measure how well copier professionals are compensated, how satisfied they are in their careers, and how well their employers are meeting their needs. Our 2014 Service/Operations Manager Salary Survey reflects the responses of 1,772 copier channel service managers, operations managers, vice presidents of service, general managers, and regional service managers who took our online salary survey during the past year.

Although these professionals work for copier channel entities of all types and sizes, the number of respondents who work for small employers has decreased significantly over the history of our survey. A decade ago, more than half of all service/ops managers worked for businesses with fewer than 50 employees. Today only 11 percent say they work for employers of that size. In addition, the average amount of time respondents have worked in the copier industry has been on the decline, falling from 25 years in 2010 to only 19 years today as a new generation of managers has begun to dominate the job.

COMPENSATION

In our 2013 survey, we predicted that service/ops manager salaries would stagnate this year, as many longtime managers have retired or been replaced by less-tenured people with lower salary requirements. The 2014 data bears this prediction out. While average salaries did increase slightly, from \$80,572 to \$81,332, the \$760 gain failed to keep pace with inflation. (In contrast, field service technician salaries kept up with inflation and sales manager earnings outpaced it.) By job title, General Managers earned the most (\$86,908), followed by Operations Managers (\$86,657), VPs of Service (\$81,318), Regional Service Managers (\$77,222), and Service Managers (\$74,553).

One thing that has increased precipitously in recent years—and not for the better—is the average number of hours service and ops managers work each week. In 2002, service/ops managers worked 49 hours per week. By 2008, that number had risen to 51, and this year it topped out at 58 hours. Jessica Crowley, Director of Recruiting for Copier Careers, believes this increase is temporary and that it stems from the challenges facing service departments as they transition from a break/fix model to a solutions-driven environment.

“If you want to change the way an entire service department operates, you have to put in some serious time to make that turnaround happen,” says Crowley. “My guess is that we’ll see this number trend downward within the next couple of years as newer service and ops managers settle into their jobs and dealerships become more comfortable with the solutions-based business model.”

CHANGING RESPONSIBILITIES

The introduction of managed print and managed network services has changed the role of the service manager significantly. Overseeing a solutions-based service department requires a more strategic approach and a deeper reliance on numbers, analysis, systems, and processes than overseeing a break/fix service department. Consequently, the need for managers to have specific technical training has diminished and the line separating service management and operations management has blurred. Modern dealerships are now looking to fill these positions with people who can see the bigger picture and who have the managerial skills to facilitate change. In many cases, a background in copier service is not even a prerequisite for landing the job.

“We continually hear from both employers and candidates that the job has evolved to a point that the service manager is no longer the person who knows how to fix an MFP or troubleshoot a networking problem,” says Paul

Schwartz, president of Copier Careers. “Instead, that person is more of a facilitator. They don’t necessarily know all the technical answers, but they know who to go to for the solution, how to implement it, and how to make sure it’s profitable and sustainable for the dealer.”

CHANGING PRIORITIES

As the fundamentals of the service manager’s job have changed, so have service managers’ priorities. The issues that have most quickly risen in the “What Matters Most To You” rankings all relate to technology and business strategy. Working for a company that understands the importance of IT, having the ability to work with leading-edge technology, and understanding how the service manager’s job helps achieve company goals have become popular concerns, whereas only a few years ago fewer than 10 percent of survey respondents considered these issues important. Attitudes and values are clearly evolving, and companies who can’t or won’t cater to these values are in danger of losing their service managers to competitors.

“These days, when service managers come to us seeking a new job opportunity, it’s most often because their ownership isn’t willing to give them the support they need to create a solutions-focused service department,” says Crowley. “When ownership won’t invest in the necessary technology, training, or infrastructure, it prevents the service manager from moving forward and being successful.”

A TOUGH TRANSITION

While some service managers feel that their dealerships are holding them back, in other cases it’s the dealership that’s being held back by a service or ops manager whose skill set is a poor fit for today’s service environment.

“For many of the dealers we talk to, the biggest pain point is service management,” says Schwartz. “By now, most sales managers are very excited about solutions, because they’ve seen how profitable a solutions-based sales model can be. But the sales department can only sell what the service department is able to support. If the service manager is stuck in a break/fix mentality, it makes the transition to solutions much slower and more problematic than it needs to be. Having the right person in the service/operations manager position is crucial.”

Finding the right person for that position can be a challenge. For many dealerships, however, the bigger challenge is admitting that the current service manager is the problem. Often, that individual is a longtime employee who may be approaching retirement age. Doing what’s right for the business can mean making some tough, emotionally-fraught staffing decisions. It’s an uncomfortable situation, and one that many dealerships have unfortunately had to confront in recent years. On an individual level, it underlines the importance of continually keeping up with new trends and technologies; on the organizational level, it speaks to the need for ongoing investment in training and conscientious succession planning.

NEW COMPETITORS, NEW OPPORTUNITIES

The difficulties involved in transitioning a traditional dealership to a solutions-based model may in part help explain the entry of several startups and non-copier IT entities into the managed print/managed network arena over the past year or two. While these businesses still represent a small percentage of the companies working in this space, their quick success highlights how slow and difficult it can be to transform a traditional copier dealership into a solutions-based service provider.

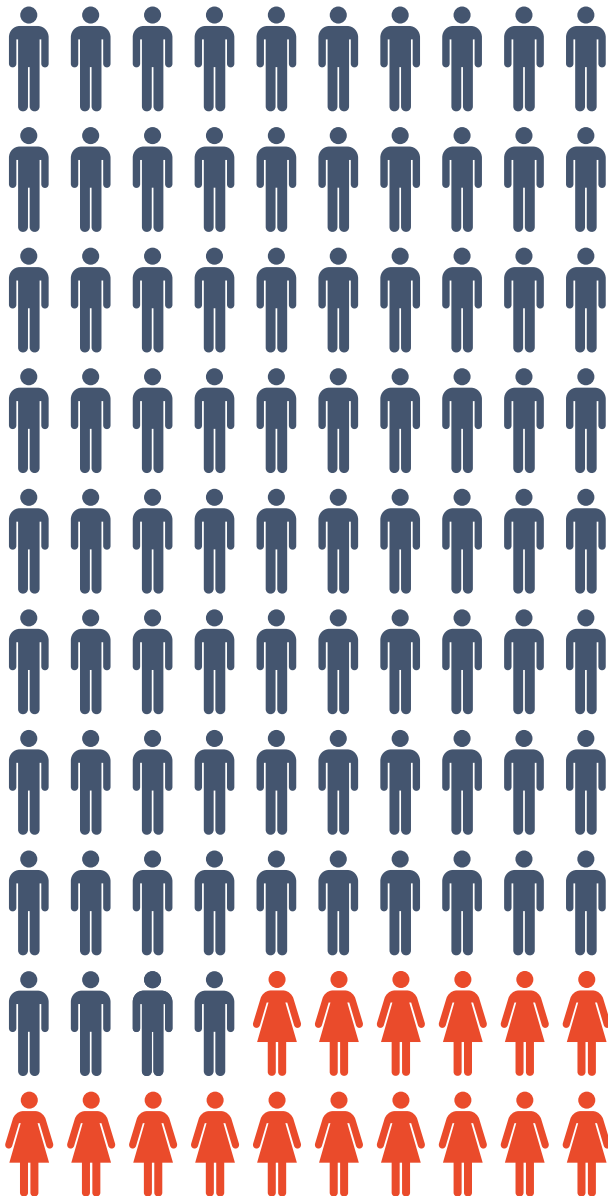
“In the past few years, we’ve heard from many people who say it’s almost easier for startups or entities from outside the industry to establish themselves in managed network services or managed print, simply because they don’t have to turn the ship around,” says Schwartz. “And from a purely service or operations management standpoint, that’s probably true—it may be easier to start from scratch, especially if company leadership is resistant to change.”

True or not, the success some traditional copier dealerships are now having with managed print and managed network services shows us that these challenges aren’t insurmountable. For many of our clients, persistence is now paying off in the form of double- and triple-digit growth. But the dealerships that are still trying to make the transition to solutions undoubtedly have a long voyage ahead of them. How quickly they can turn the ship around—and whether the seas will be turbulent or calm—depend to a great extent on who is at the helm of the service department. Once the right person is in place, we predict that the future will be smooth sailing.

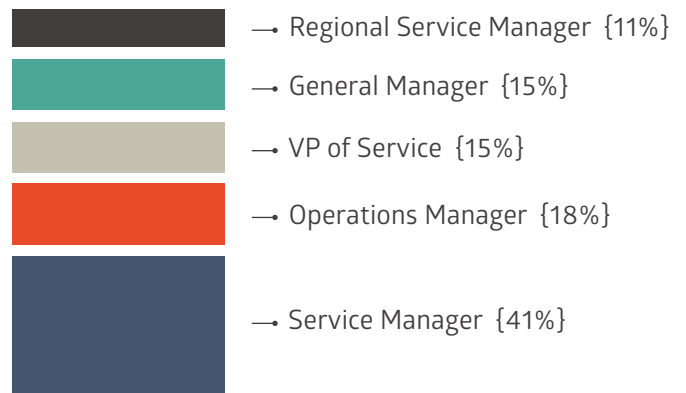
Demographics

Of the 1,772 copier channel service and operations managers who participated in our 2014 salary survey, 84 percent are male. On average, they've worked in the copier industry for 19 years. They work for employers of all types and sizes.

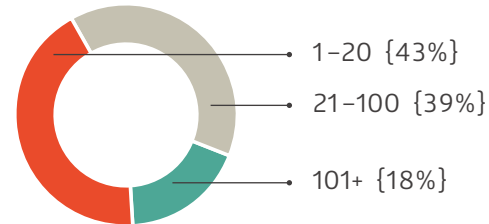
GENDER



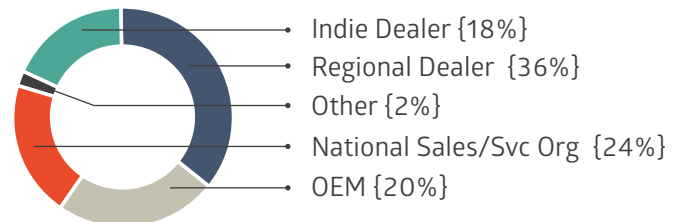
JOB TITLE



HOW MANY EMPLOYEES DO YOU SUPERVISE?



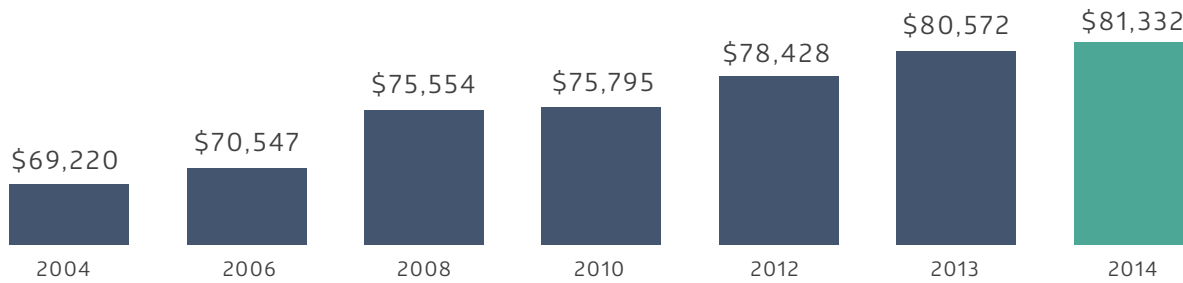
INDUSTRY SEGMENT



Compensation

This year, average salaries for service and operations managers increased by only \$760. This apparent stagnation is likely happening because many tenured service managers are retiring or being replaced by less tenured people who may have slightly lower salary requirements.

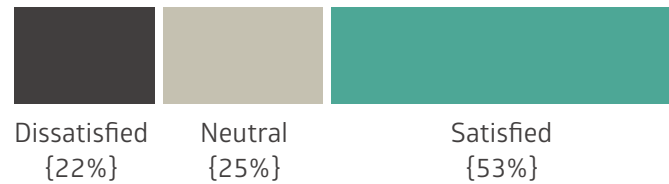
AVERAGE SALARY, 2004-2014



AVERAGE 2014 SALARY BY JOB TITLE

Service Manager	\$74,553
Regional Service Manager	\$77,222
VP of Service	\$81,318
Operations Manager	\$86,657
General Manager	\$86,908

SATISFACTION WITH COMPENSATION



TOP NON-CASH/INDIRECT CASH AWARDS

1. Health benefits (99%)
2. Company car/car allowance (93%)
3. Certification reimbursement (48%)
4. Further education/training (31%)
5. Tuition reimbursement (29%)

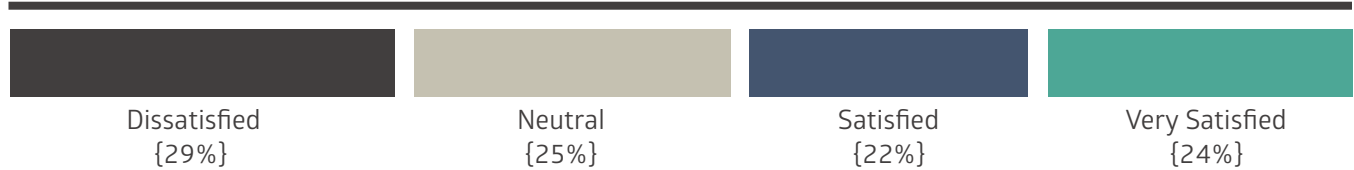
TOP REASONS FOR RECEIVING BONUSES

1. Personal performance (71%)
2. Company profit sharing (65%)
3. Certification/training (51%)
4. Project milestone completion (46%)
5. Signing bonus (25%)

Satisfaction

Although about half of all service and operations managers say they're satisfied with their jobs, 97 percent say they're either actively or passively searching for a new job. Service managers most typically seek new employment either to obtain a higher salary or because they don't feel supported by ownership. The ability to work on cutting-edge tech solutions and be involved in high-level strategy have become increasingly important to service and ops managers over the past few years.

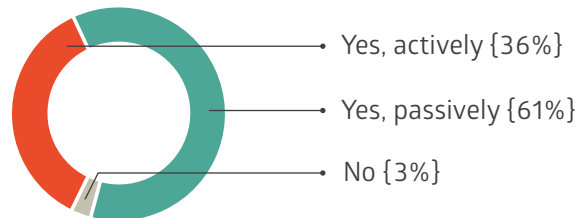
OVERALL JOB SATISFACTION



MOST IMPORTANT JOB-RELATED FACTORS

1. Base pay
2. Benefits
3. Financial stability of the company
4. Bonus opportunities
5. Company understands the importance of IT
6. Job stability
7. Understanding the company's business strategy
8. Prestige/reputation of company
9. Ability to work with leading-edge technology
10. Ability to work on creating innovative IT solutions

ARE YOU LOOKING FOR A NEW JOB?



About Us

Copier Careers is a recruiting firm dedicated exclusively to helping copier channel employers find experienced service techs, copier sales reps, managers, controllers, back office staff, and MPS/MNS experts. Learn more about our commitment to the industry at www.CopierCareers.com or call 888-733-4868 to talk to a recruiter.

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