

2006 Copier Careers Service Technician Salary Survey

Modest pay increases and rising job dissatisfaction levels remain the norm for this key dealership position.

By Scott Cullen

Meet today's copier service tech. He's a hard worker; with few exceptions, male; approximately 36.9 years of age and should know his job well since he's been working in the industry – most likely for an independent copier dealership – for nearly 7.5 years. What may not be obvious is that he's not all that happy in his current position, has some issues with his employer, and is keeping his options open in the event a better position presents itself.

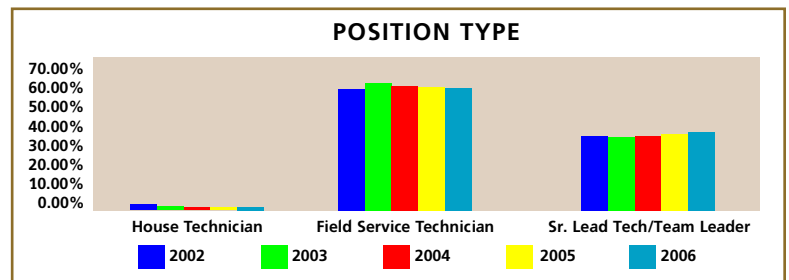
Those are just some of the findings from the 2006 Technician Salary Survey from Copier Careers, (www.copiercareers.com), a recruiting organization that places experienced imaging professionals within independent dealerships across the United States.

Who They Are

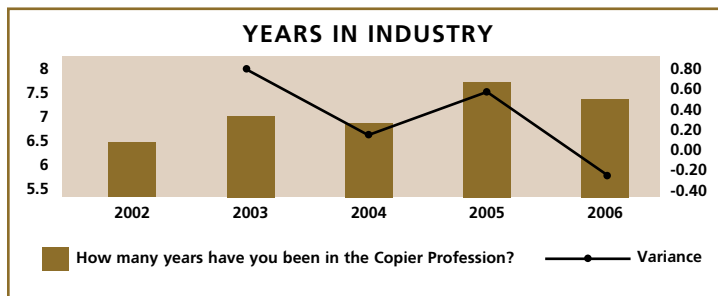
This year's survey yielded 3,609 responses, 35 more than last year's survey. Technician respondents this year are mostly male (92%) and have an average age of 36.9 years. That age range, by the way, hasn't fluctuated much since 2002, ranging from a low of 36.1 years in 2003 to the 36.9 years today.

The staff positions reflected in the 3,609 responses encompass the following titles:

- House Technician – 51
- Field Service Technician – 2,295
- Sr. Lead Technician/Team Leader – 1,263



The biggest variance from last year's survey is in the number of Sr. Lead Technician's/Team Leader's with an increase of 18.



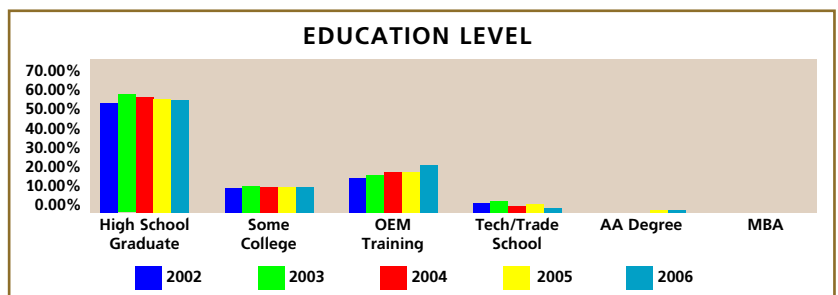
When asked how many employees and contractors they supervise directly and through subordinate supervisors, most – 2,857 said none – 100 more than last year. The remaining 752 supervise between 1-10 people, reflecting in part the size of the organizations they are employed by. Incidentally, that figure represents a decline of 68 from the 2005 survey.

These folks have been working in the copier industry a total of 7.4 years, .02 years less than what respondents reported in the 2005 survey and nearly 1 year longer than the 6.5 years of service accumulated by respondents in 2002, the first year of the survey.

Most of the techs surveyed are high school grads – 2,098. Fully 531 have some college education and 802 have received OEM training. Another 168 attended a Tech/Trade School and 10 possess an AA degree.

Technicians average 5.8 years with their current employer, a slight increase over last year's figure of 5.6 years, which was an increase over the 5.5 years noted in the first three years of the survey.

Prior to joining their current employer, techs spent on average 2.5 years with their previous employer. Again, not a big difference from previous years when respondents noted 2.1 in 2004 and 2.3 in 2005.



Employer Profiles

Most respondents (63%) work for an independent dealership with one location. Another 22% work for a regional dealership with more than one location. A small percentage (6%) work for an OEM and 4% work for a third-party service organization. Five percent noted "other" in their response to this question.

The majority of respondents (65%) are employed by a dealership whose annual revenues are in the \$1-\$10 million range. Twenty-one percent work for a dealership whose revenues are between \$10 and \$50 million, and 10% work for a dealership with annual revenues of less than \$1 million. Only 3 percent work for a company whose annual revenues are between \$51-\$100 million, and 1% are employed by a company making more than \$100 million annually.

When asked, how many total employees are in their companies, 31% report working for an employer who employs less than 25, and 50% work for a company with 25-50 employees. Ten percent work for a company with 51-100 employees, 5% for a firm that employs 101-500, 3% for a firm with 501-1,000 employees and just 1% with a company that employs 1,001-5,000 employees.

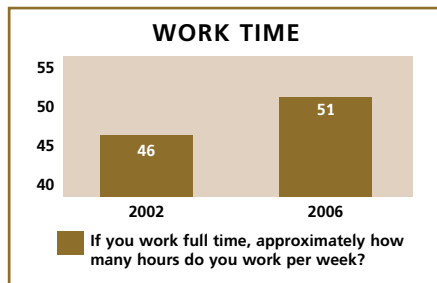
Welcome to the Working Week

The 40-hour work week seems to be the stuff of fantasy for service technicians in the copier industry. Indeed, throughout the length of the survey, respondents, on average, haven't worked less than 46 hours per week. That number has gone up consistently over the years with the exception of this year as techs maintained the status quo over last year, logging 51 hours per week. (These figures include time working in the field, time in the office, and time traveling for business.)

A service tech's work is never done even when they clock out. When asked how many hours a week they are on call, the responses have been consistent since 2002 ranging from 4.5 in 2002 to 4.7 in 2006. That's up from 4.6 in 2005, which was a slight drop off from the 4.8 hours in 2004.

"These are busy people and those numbers reflect that employers are probably still getting more hours out of fewer techs," notes Paul Schwartz, president of Copier Careers.

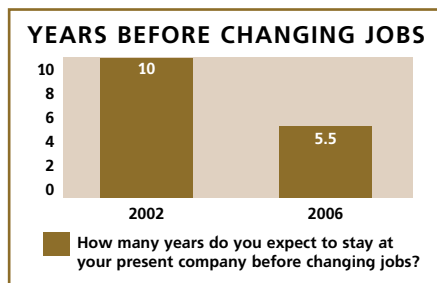
Anecdotally, those rising hours may also be a reflection of techs dealing with more complicated issues related to software and new applications.



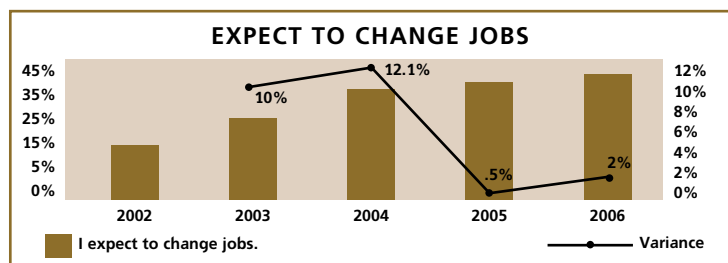
Job Insecurity

Techs aren't as optimistic about their future with their current employer as they have been in year's past. The first two years of the survey respondents said that they expected to spend 10 and 9.5 years, respectively with their current company before changing jobs. All that optimism changed in 2004 with that figure dropping to 5.2 years, followed by 5.1 years in 2005, before bumping up slightly this year to 5.5 years.

A sizable number of respondents (1,432) expect to change jobs. That's a big chunk out of the 3,609 respondents in this year's survey. Compare that to 2002 when just 549 of 3,233 respondents expected to change jobs.



"If I were an employer, I'd be concerned, particularly about my more senior techs," notes Schwartz. "Dealers have a lot invested in these folks and considering the number of hours they work and the skills they've acquired over the years, these are not easy positions to fill should these key people walk."



Schwartz and Dave Grandelis, director of recruiting for Copier Careers, see this situation every day at Copier Careers, where placing techs makes up a significant part of the company's business. "In order to be valuable in the capacity where we're involved, they need specific OEM training and must already have worked for a dealership or OEM," explains Schwartz. "Plus that dealer has to sponsor their training and send them to school or OEM training. This makes them a finite group of people. That's one thing that we've never seen change - there's never an overabundance of techs."

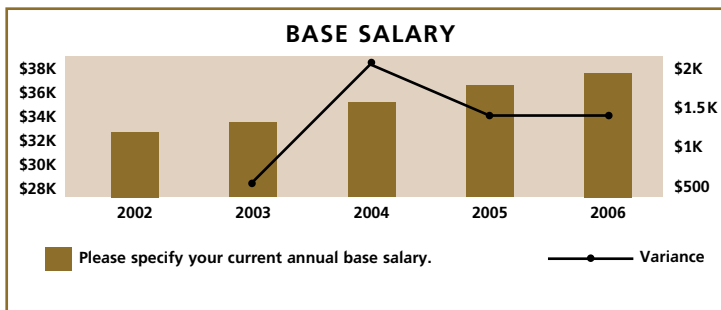
Grandelis has noticed that some techs are leaving the copier industry for IT consulting organizations. "Once dealers get these guys trained, certified, and network savvy, these people become highly desirable to outside IT companies who are stealing these folks from the copier industry and creating a shortfall," observes Grandelis. "Guys are also going into business and providing solutions similar to what copier dealers and companies like IKON provide, and that's nibbling away at the copier business."

Grandelis adds that the techs being tempted by the IT industry are often a dealership's top-level techs and the offers they're receiving are sometimes hard to refuse.

Money Matters

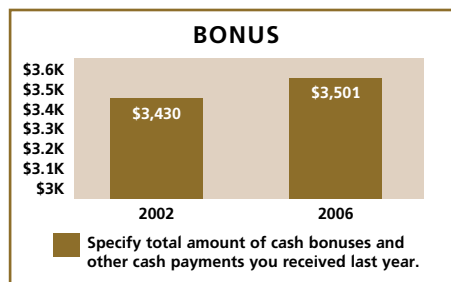
Although technicians may not have much faith for long-term employment with their current company, the good news is that annual base salaries have consistently gone up over the length of the survey. That bad news is those increases have been relatively modest – less than 4% or about \$1,300 a year over the past five years.

Those modest increases, opines Schwartz haven't been enough to offset some of the other costs that affect tech's, such as the price of gas. "Techs spend most of their time on the road and although they are compensated for their mileage, many have found that their mileage reimbursement has not kept up with the gas increases, cutting into their income," says Schwartz.



In 2006, respondents are earning an annual base salary of \$37,532. That's \$1,022 more than last year and \$5,198 more than techs were earning in 2002. That increase isn't as big as the \$1,962 bump from 2003 to 2004, techs may want to take solace that in an industry where sales have been relatively flat, the average base salary continues to rise.

While the salary numbers posted in the survey are the average, Grandelis reports that a lot of techs he's encountered haven't received any wage increase in 2.5 years.

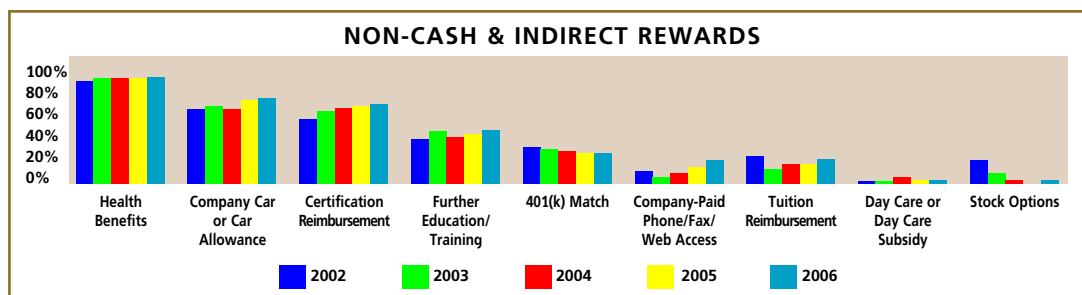
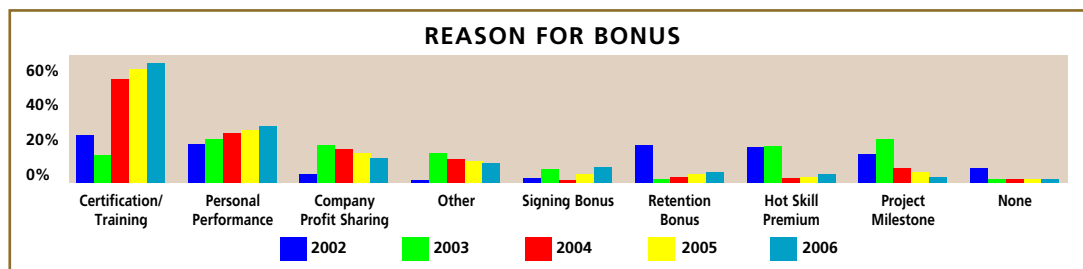


Meanwhile, bonuses and other direct cash payments earned over the years have remained fairly consistent with the exception of 2004 when that figure declined by \$164, arguably not a significant amount. This year the total was \$3,501, up \$90 from \$3,411 in the 2005 survey.

Asked to cite the primary reasons for bonuses and direct cash payments received, 65% of techs noted certification training while 26% cited personal performance.

Stock options, particularly generous options – remain a thing of the past. In 2002, the first year of the survey, that figure was a whopping \$8,520, only to drop to \$2,112 in 2003. This year's number has declined to a modest \$899.

The most popular non-cash and indirect cash rewards cited by respondents were health benefits at 94%, followed by a company car or car allowance (74%), certification reimbursement (71%), and further education/training (44%). For the most part, this year's responses have remained consistent since 2002 with the biggest gains coming from company car or car allowance (62% in 2002), certification reimbursement (54% in 2002), further education/training (34% in 2002), and company-paid phone/fax/cable modem/DSL lines, which grew from 8% in 2002 to 18% in 2006.



The biggest decline in non-cash and indirect cash rewards was the aforementioned stock options where 17% reported receiving this benefit in 2002 compared to just 1% of this year's respondents.

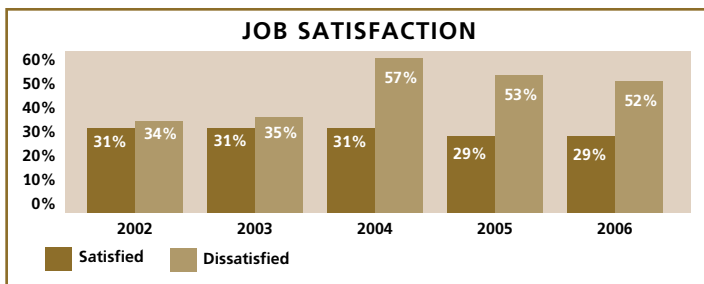
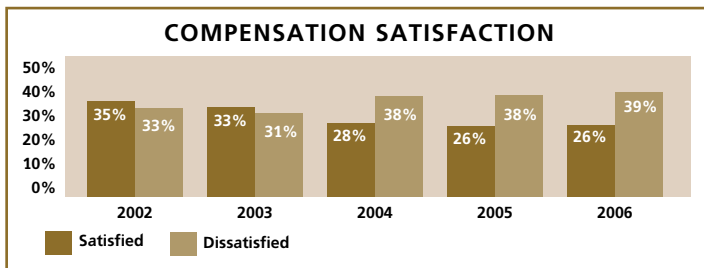
Satisfaction Levels

The majority of respondents were less than satisfied with their total compensation package. Fully 19% were dissatisfied and 20% were very dissatisfied. Only 9% very satisfied and 17% satisfied. Another 35% felt neutral about their total compensation package.

“These are hard working individuals who are logging long hours and feel that they deserve a lot more than what they are currently making,” observes Schwartz. “You can’t fault them for wanting to do better in light of how base salaries have only increased by a little over \$5,000 during the past five years.”

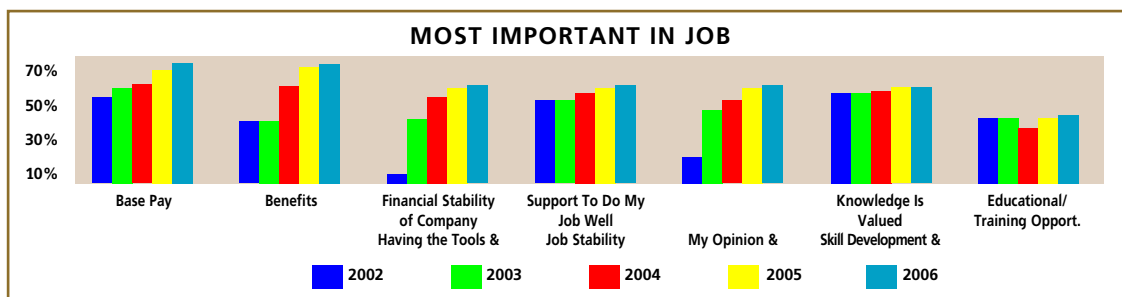
Asked about their overall job satisfaction, only 9% of respondents said they were very satisfied compared to 8% in the 2005 survey. Fully 20% are satisfied and 19% are neutral. More than 50% are less than satisfied with 23% feeling dissatisfied and 29% very dissatisfied. Consider though that in 2002 only 22% of techs were dissatisfied and 12% very dissatisfied.

“One needs to remember that those early figures were compiled pre 9/11 before businesses were affected by the economic fallout of the attacks as well as working in a mature industry,” says Schwartz. “I think salaries haven’t risen as fast as techs would like even as they are putting in more hours than ever before, and those issues are reflected in their responses.”



What Matters

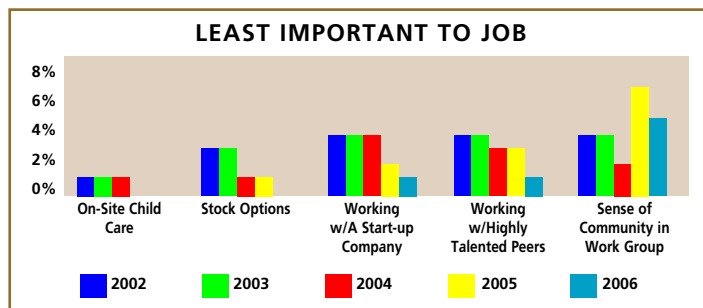
When asked what matters most to you about your job, responses by techs run the gamut although some survey categories seem to resonate more with techs than others. The top response was base pay at 76%, followed by benefits at 75%. Next in line were financial stability of company (67%), job stability and having the tools and support to do my job well (tied at 59%), and my opinion and knowledge is valued (58%). Overall, these numbers are comparable to last year within one percent plus or minus.



A significant number (48%) identified recognition for work well done, while 45% said skill development/educational/training opportunity as things that matter most.

It's also interesting to note the things that matter least to techs. Those include telecommuting/work at home (0%), stock options (0%), domestic partner benefits (0%), on-site childcare (0%), working with highly talented peers (1%), and wanting to join a start-up company (1%).

There have been some big changes from 2002 to 2006 in what matters most to techs about their jobs. Back in 2002 only 12% cited financial stability of company while 20% noted job stability. Only 56% identified base pay and 41% benefits back in 2002. Prestige/reputation of company has also grown from 8% in 2002 to 26% in 2006.



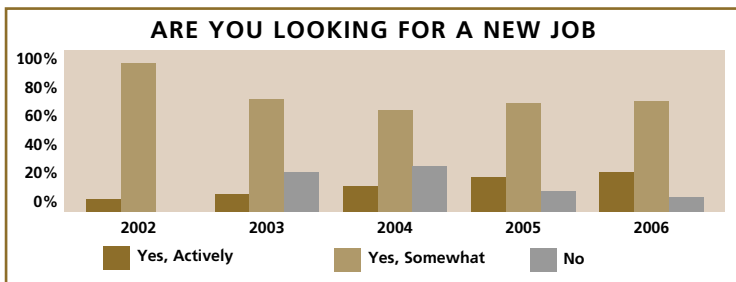
“There was a lot more balance in the responses across the board in the 2002 survey compared to later surveys when responses started weighing heavily towards base pay, benefits, financial stability of company and job stability,” explains Grandelis. “I think it all comes down to techs are simply interested in getting back to basics and making a good living and working for a stable, well-respected company in an era of uncertainty.”

Scanning the Want Ads

When asked if you are currently looking for a job with a different employer, the numbers are somewhat surprising compared to the 2002 survey. That year, 4% said “yes, actively”, and 96% said “yes, somewhat”. In 2006, 20% said “yes, actively”, 70% said “yes, somewhat”, and 10% said “no”.

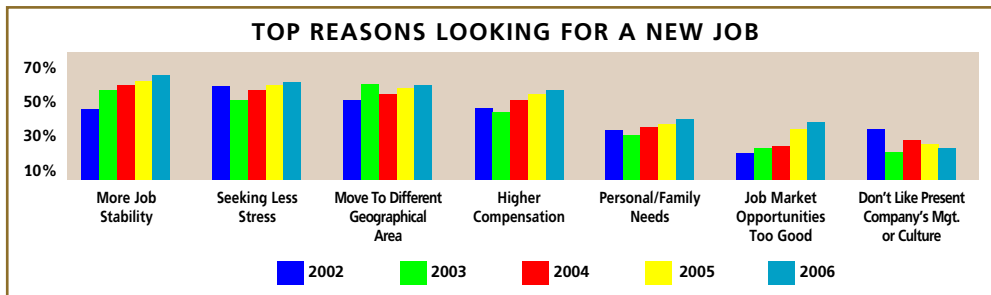
“It seems like most techs who are interested in changing careers have gone through a bad situation,” says Grandelis. “They’ve got bigger workloads, are on the road more often, which leaves them with less family time. These are front-line people who are sometimes overlooked within the dealership and some of them are feeling that they are working for a company that doesn’t appreciate them.”

“Those numbers continue to show that techs continue to keep their options open even though most – even the dissatisfied techs – aren’t actively looking, but rather waiting for something to fall into their laps,” observes Schwartz.



The reasons are many why techs are actively or even passively searching for a new job. The top five responses to this question:

1. More job stability – 65%
2. Seeking less stress – 64%
3. Move to a different geographical area – 58%
4. Higher compensation – 55%
5. Personal/family needs – 42%



“Responses two, four, and five could very well be related to the number of hours a tech is putting in and the pressure of trying to meet all of those daily objectives in a 51-hour work week,” says Schwartz. “Everybody wants job stability and some industries are more prone to instability than others, particularly the copier industry during the past decade, so that’s not all that surprising why that response would top the list.”

Adds Schwartz, “There’s constant change and buyouts by OEMs creating a level of uncertainty which has made people think about leaving the industry. They’re wondering, ‘Where am I going to be when the new management team comes in?’”

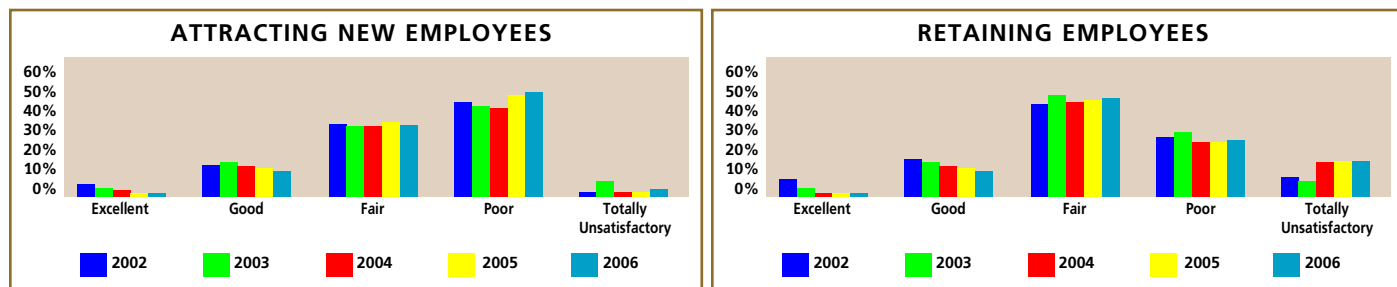
“These folks are like all of us, they don’t like change,” says Grandelis.

Comparing the 2002 responses to why techs are looking for a new job to the 2006 responses, three categories stand out – stock options, more job stability, and job market opportunities are too good to pass up. Stock options fell from 11% in 2002 to 0% in 2006. More job stability rose from 46% to 65% and job market opportunities are too good to pass up rose from 23% to 38%.

Rating Their Companies

Asked to rate how well their company does at attracting and retaining copier industry employees, technicians continue to be critical of their employer’s efforts. Only 1% said excellent. Most (50%) said their employers did a poor job while 4% said those efforts were totally unsatisfactory. Another 10% said good and 33% said fair. Two percent didn’t know.

Retention efforts didn't fare much better in respondent's opinions. Here only 1% said excellent, 9% good, and 48% said fair. Fully 27% said those efforts were poor and the final 15% rated those efforts as totally unsatisfactory. Overall those numbers remain fairly consistent with the previous year's survey responses.



Summing It Up

The past few years have seen modest increases in copier service technician's salaries while more than half of respondents continue to be dissatisfied or very dissatisfied with their overall compensation package.

"Certain company's under-compensate their techs and wages don't always fully reflect their responsibilities, especially as techs are under continuous pressure to keep up with all the new product and solutions introductions by acquiring new skills and certification," explains Grandelis. "Salaries should be higher, but this industry doesn't seem to be doing it."

What's working in tech's favor though is that they possess a highly-valued skill even if it's not always reflected in their paycheck. That's why techs remain one of the most sought after positions by Copier Careers' dealer clients and a big base of the company's business. "If they were able to find them themselves by placing ads in their local newspapers, they wouldn't need our services," says Schwartz. "But they're not finding them that way, which is why they keep coming to us."

The caveat though, says Schwartz, is that there aren't enough techs to go around. "In the long term this may work to their benefit as dealer principles come to the realization that these highly-prized folks are too valuable to lose."

— Scott Cullen has been covering the office equipment industry since 1986.

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