

2013

COPIER CAREERS[®]

**SERVICE AND
OPERATIONS**

MANAGEMENT

SALARY SURVEY

As we are all well aware, the past few years have been a time of swift transition for the copier industry. While managed print services (MPS) and managed network services (MNS) have created an abundance of opportunities for dealerships, they have also caused their share of headaches for the people who have been tasked with implementing these new sales and service models. For better or for worse, the new models have forced us all to take a good hard look at our revenue streams. The result of this introspection? A full-blown, industry-wide identity crisis.

“Over the past few years, many of our clients have expressed uncertainty about where the industry is headed,” says Paul Schwartz, president of Copier Careers, a recruiting firm that helps office technology dealers find experienced sales, service, management, and back office staff. “On one side of the debate are people who believe the copier channel is shrinking now that the machines have become a commodity. On the other side are people who believe the copier channel is growing, because it’s not just about the machines anymore—it’s about managing entire ecosystems of networked devices. Generally speaking, the problem isn’t just that we don’t know where we’re headed in the future—it’s that we aren’t sure where we’re at today.”

In light of these uncertainties, the questions we end up asking ourselves have become downright existential. Is copier sales and service still a unique industry? Or are we just a finger on the hand of IT? Now that our business has changed in every conceivable way, who are we? And what should we call ourselves? Given the breadth of our services, is “copier dealership” an obsolete term? And then there’s the most pressing question of all, at least for the countless dealerships whose current managers are nearing retirement:

Who the heck is going to run the service department?

1,746

COPIER SERVICE MANAGERS, OPERATIONS MANAGERS, VPS OF SERVICE, GENERAL MANAGERS, AND REGIONAL SERVICE MANAGERS PARTICIPATED IN THIS YEAR'S SALARY SURVEY

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Since 2002, Copier Careers has conducted annual salary surveys of copier service technicians, sales managers, and service managers; two years ago, we added a fourth survey of copier sales reps. These surveys track a variety of data and measure how well copier professionals are compensated, how happy they are in their jobs, and how well their employers are meeting their needs and expectations.

This year's Service & Operations Management Salary Survey reflects the responses of 1,746 Service Managers, Operations Managers, VPs of Service, General Managers, and Regional Service Managers who took our online survey between March 1, 2012 and March 15, 2013. Participants work for copier dealerships and professional service organizations all over the country, and their jobs differ vastly in scale and scope, with some respondents managing fewer than ten technicians and others overseeing hundreds. They come from single-location independent dealerships (19%), multi-location regional dealerships (38%), national sales and service organizations (23%), and OEMs (29%).

Despite their diversity, the respondents have plenty of things in common, one of which is their longevity in the industry: the average service management professional has worked in the copier industry for more than 21 years, and has spent nearly 15 of those working for his or her current employer. Interestingly, the length of the average career has dropped by four years since 2011; this decrease is probably due to older service managers leaving the workforce and being replaced by younger professionals.

HOW MANY HOURS DO YOU WORK EACH WEEK?

2002	48
2004	49
2006	49
2008	51
2010	52
2011	52
2012	52
2013	56

Over the past year, average base salary for all job titles has increased modestly, from \$78,428 to \$80,572. When broken down by job title, Operations Managers earn the most on average (\$85,648), followed by General Managers (\$85,288), VPs of Service (\$80,642), Regional Service Managers (\$78,002), and Service Managers (\$73,282).

In normal economic times, average salaries tend to rise a little each year. But due to projected demographic shifts for this position, it's possible that the next few years will see a decrease in average compensation as older workers are replaced by less tenured candidates.

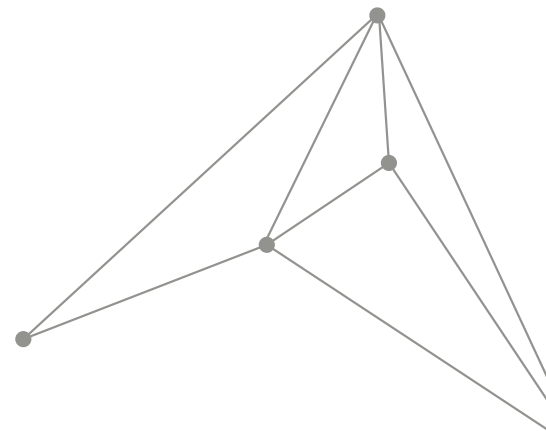
“Many copier dealerships are hoping to hire new service managers at a much lower salary than they are paying their current service managers, who are typically being compensated at a higher rate because of their long tenure with the company,” says Jessica Crowley, Head of Recruiting for Copier Careers. “Frequently, dealerships believe that replacing a more experienced employee with someone younger creates an opportunity to pay a lower salary. The reality, though, is that people with the right mix of technical and management skills are extremely difficult to find, so the market is very much in their favor.”

AVERAGE 2013 BASE SALARY BY JOB TITLE

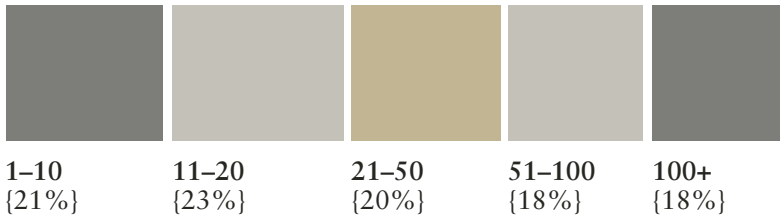
<i>Service Manager</i>	\$73,282
<i>Regional Service Manager</i>	\$78,002
<i>VP of Service</i>	\$80,642
<i>General Manager</i>	\$85,288
<i>Operations Manager</i>	\$85,648

AVERAGE BASE SALARY (ALL JOB TITLES)

2002	2004	2006	2008	2010	2011	2012	2013
\$69,025	\$69,220	\$70,547	\$75,554	\$75,795	\$77,237	\$78,428	\$80,572



HOW MANY EMPLOYEES DO YOU SUPERVISE?



WHICH JOB-RELATED ISSUES MATTER MOST TO YOU?

1. Base pay
2. Benefits
3. Financial stability of company
4. Company’s understanding of the importance of IT
5. Job stability
6. Bonus opportunities
7. Company-provided laptop/PC
8. Prestige/reputation of company
9. Understanding the company’s business strategy
10. Seeing how my work helps achieve company goals

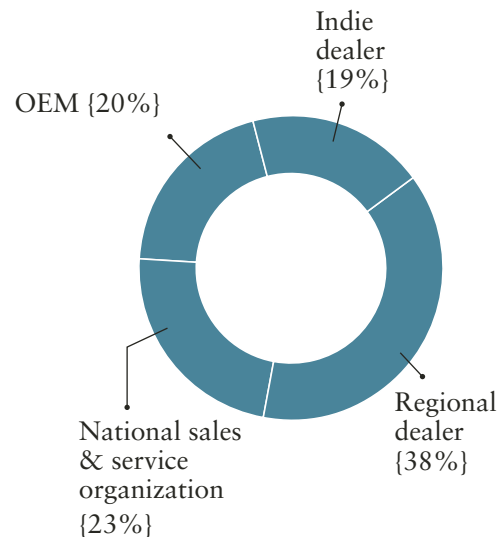
MOST COMMONLY RECEIVED NON-CASH /INDIRECT CASH BONUSES

1. Health benefits
2. Company car/car allowance
3. Certification reimbursement
4. Company-paid phone/fax/internet
5. Further education/training

MOST COMMONLY RECEIVED DIRECT CASH BONUSES

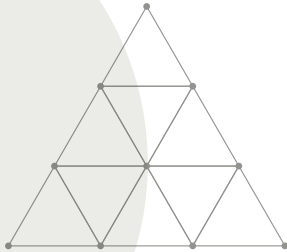
1. Personal performance
2. Company profit sharing
3. Certification/training
4. Project milestone completion
5. Signing bonus

WHO DO YOU WORK FOR?



**“PEOPLE WITH THE RIGHT
MIX OF TECHNICAL AND
MANAGEMENT SKILLS ARE
EXTREMELY HARD TO FIND,
SO THE MARKET IS VERY
MUCH IN THEIR FAVOR.”**





86%

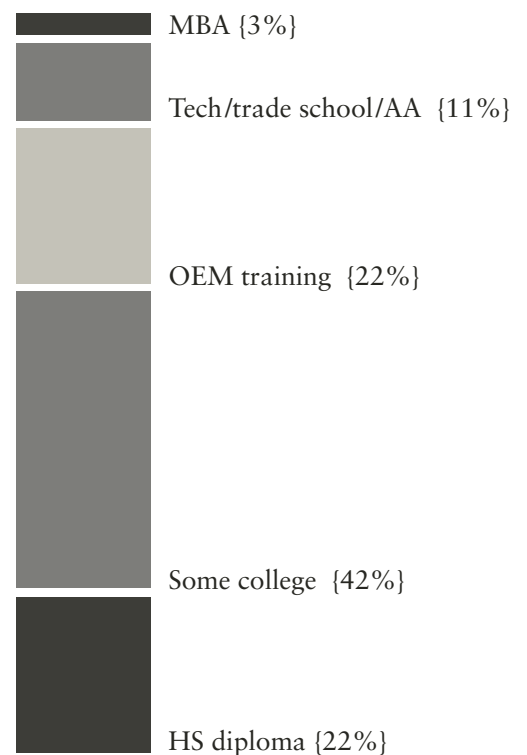
OF THE COPIER SERVICE AND OPERATIONS MANAGERS WHO TOOK OUR SURVEY ARE MALE

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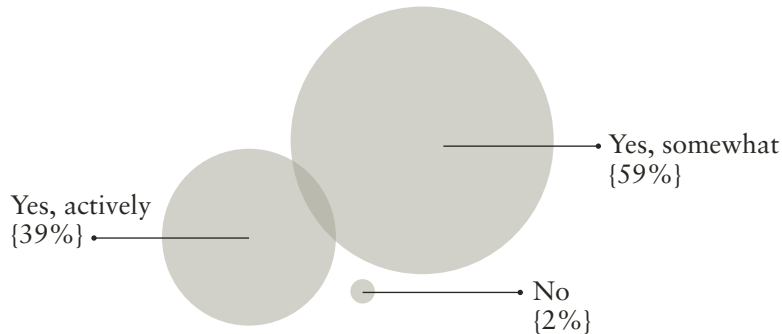
As the older generation of break/fix service managers has begun to leave the industry, the number of job openings for copier service managers has increased steadily. Unfortunately, service management positions have always been difficult for dealerships to fill, and it has only gotten harder in recent months, as the demand for new service managers is quickly outstripping the supply of qualified candidates.

“It can be very challenging for dealerships to fill these positions, because the people currently in these roles have plenty of management and leadership experience, but their IT skill sets are not where they should be,” says Crowley. “Alternately, the people with highly-developed IT skill sets don’t typically have the management experience we would like to see. At this point, there’s really no happy medium—it’s extremely rare to find an individual in this industry who has equal experience in both IT and management.”

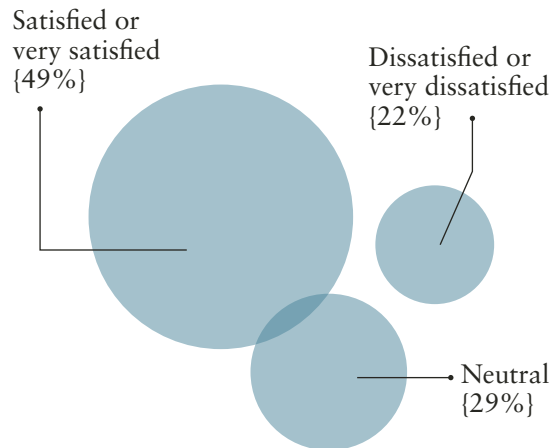
WHAT IS YOUR HIGHEST LEVEL OF EDUCATION?



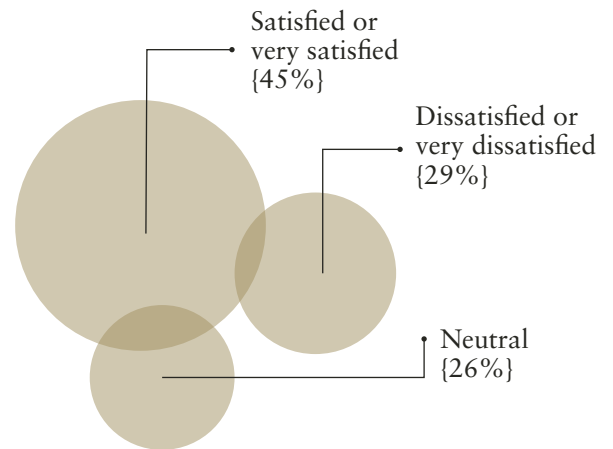
ARE YOU LOOKING FOR A NEW JOB?



SATISFACTION WITH COMPENSATION PACKAGE



OVERALL SATISFACTION



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WHY ARE YOU LOOKING FOR A NEW JOB?

1. Higher compensation
2. Job market opportunities are too good to pass up
3. Seeking a more dynamic company
4. Seeking greater job stability
5. Seeking less stress
6. Looking for more interesting work
7. Don't like present company's management/culture
8. Want more responsibility
9. Personal/family needs
10. Want to move to a different geographic region



88%

**OF SERVICE AND OPERATIONS MANAGERS
SAY IT'S CRITICAL THAT THEIR EMPLOYERS
UNDERSTAND THE IMPORTANCE OF IT**

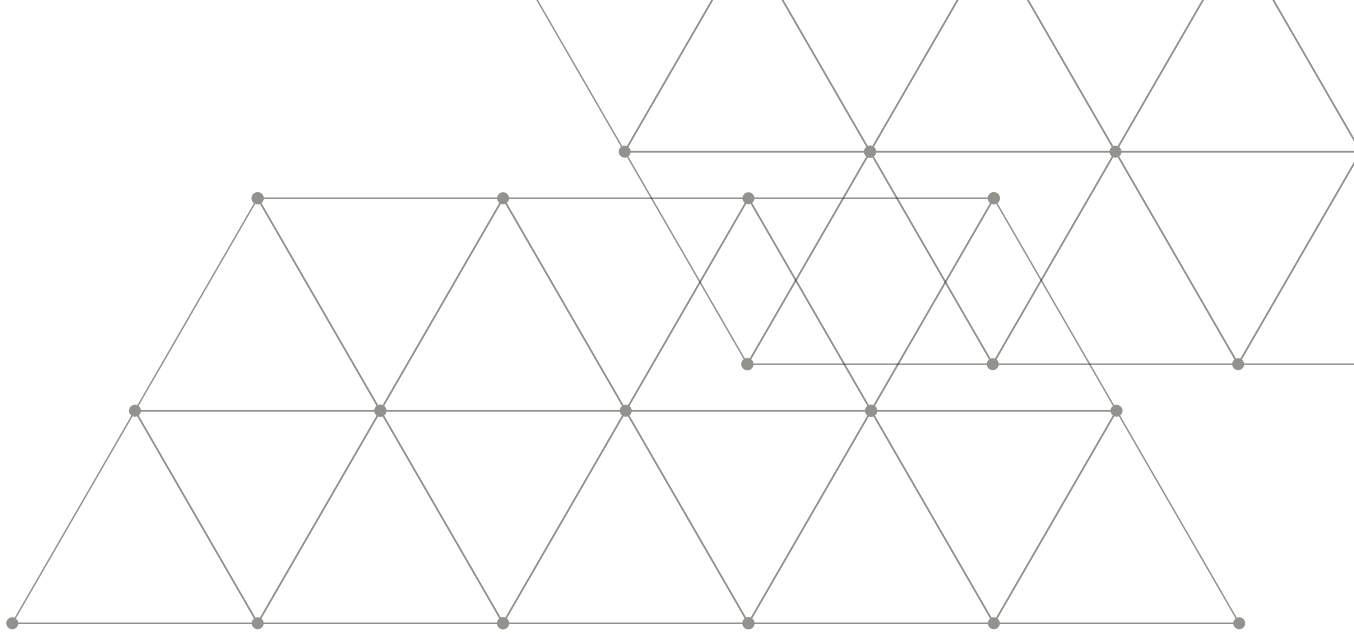
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With the addition of MPS and MNS in copier dealerships, the economics of service management have gotten exponentially more complex. As a result, we've seen a huge increase over the past two years in the number of companies looking to hire CFOs, controllers, and operations managers.

“The operations side of the business has changed dramatically,” says Schwartz. “All of the sudden, instead of simply keeping track of machines in field, service and operations managers are overseeing entire networks of devices. It’s a completely different game, and figuring out how to make a profit at it can be a challenge.”

In many dealerships, there has historically been some overlap between the roles played by operations managers and service managers, and the new business models have caused these areas of overlap to become even greater.

“Now that many copier dealerships have stepped away from the break/fix model and moved further into services and solutions territory, the responsibilities of service managers and operations managers are no longer as clear-cut as they once were,” says Schwartz. “In both positions, there is now a huge focus on the economics of the devices, which is something that has become extremely complicated in recent years. The people who truly understand how to run a profitable MPS/MNS operation, either from a service perspective or from a broader operations perspective, are a rare—but extremely valuable—breed.”



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In previous salary surveys, we have often strongly suggested that the current crop of service managers get on board with IT and ramp up their skill sets so they can lead their departments into the future. This year, however, we're turning this advice inside out and suggesting that younger technicians and IT specialists start ramping up their management and leadership skills.

“Over the next few years, there is going to be a huge need for people who have both a strong grasp of IT and the ability to manage a sophisticated service operation,” says Crowley. “And there are only a handful of individuals out there who currently fit the bill, which leaves a lot of room for motivated people to get in the game. We’re looking forward to seeing great things from the next generation of service and operations managers.”



ABOUT US

Copier Careers is a recruiting firm dedicated exclusively to helping independent copier dealers 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.