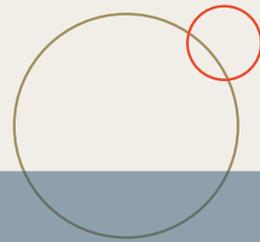
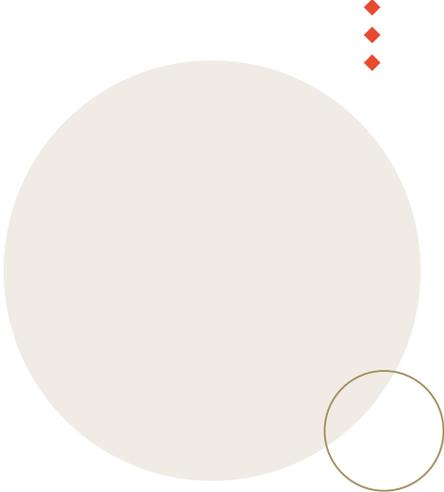

SERVICE AND OPERATIONS MANAGER

SALARY SURVEY

2015

|||||





1,827

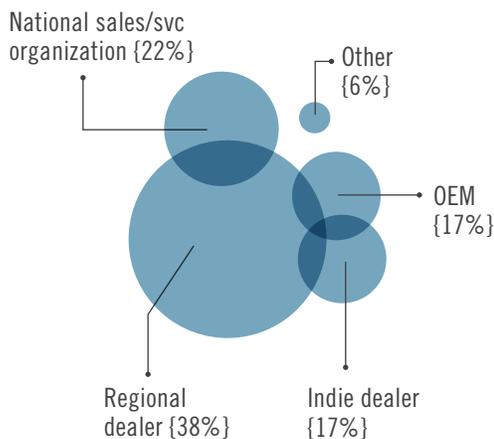
**COPIER CHANNEL SERVICE AND OPERATIONS MANAGERS
PARTICIPATED IN THIS YEAR'S SALARY SURVEY**

Over the past five years, managed print and managed network services have completely remade copier dealerships. In the process, they've also remade copier channel jobs. Our technical skill sets, our sales methodologies, and our approaches to operations and administration have all had to evolve as we've made the switch to solutions-based business models. But the most significant changes may be in the quality of our collaborations.

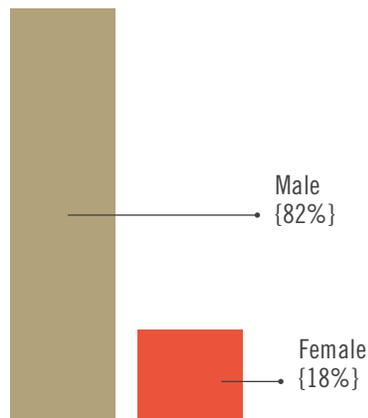
Now more than ever, sales, service, and operations depend on one another; a failure in one area can have long-lasting, company-wide repercussions, and employees are well aware of how interconnected their departments have become. In just a few short years, the percentage of copier channel managers who say "commitment throughout the company to quality work" is important to them has increased from fewer than 5 percent to more than 50 percent.

"Strong communication between departments has become a priority for dealer principals, sales managers, and service managers," says Jessica Crowley, Director of Recruiting for Copier Careers. "Their success depends on it. And when they can't get the collaboration they need to be successful? That's one of the most common reasons why people in sales manager or service manager positions will begin searching for a new job opportunity."

WHAT TYPE OF ORGANIZATION DO YOU WORK FOR?

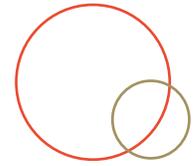


GENDER



For more than a decade, Copier Careers has conducted annual 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 industry professionals are compensated, how satisfied they are in their careers, and how well their needs align with the needs of industry employers. Our 2015 Service & Operations Manager Salary Survey reflects the responses of 1,827 copier channel service managers, operations managers, vice presidents of service, general managers, and regional service managers who took our online survey during the past year. They work for single-location independent dealerships (17%), multi-location regional dealerships (38%), national sales and service organizations (22%) and OEMs (17%). Another 6 percent list their employer type as “other,” a designation which likely includes a significant number of IT and MNS providers.



AVERAGE ANNUAL SALARY

	2002	2004	2006	2008	2010	2012	2014	2015
All job titles	\$69,025	\$69,220	\$70,547	\$75,554	\$75,795	\$78,428	\$81,332	\$84,161
Service Manager	\$59,982	\$60,099	\$61,564	\$67,739	\$67,008	\$71,010	\$74,553	\$76,267
Regional Service Mgr	\$70,998	\$69,367	\$69,990	\$74,029	\$72,107	\$75,002	\$77,222	\$78,612
VP of Service	\$72,300	\$72,813	\$74,112	\$79,621	\$78,765	\$79,040	\$81,318	\$83,025
General Manager	\$71,454	\$71,980	\$72,899	\$77,318	\$78,991	\$83,201	\$86,908	\$89,863
Operations Mgr	\$70,392	\$71,840	\$74,169	\$79,063	\$82,105	\$83,887	\$86,657	\$90,037

TOP NON-CASH/ INDIRECT CASH REWARDS

1. Health benefits
2. Company car/car allowance
3. Certification reimbursement
4. Further education/training
5. Tuition reimbursement

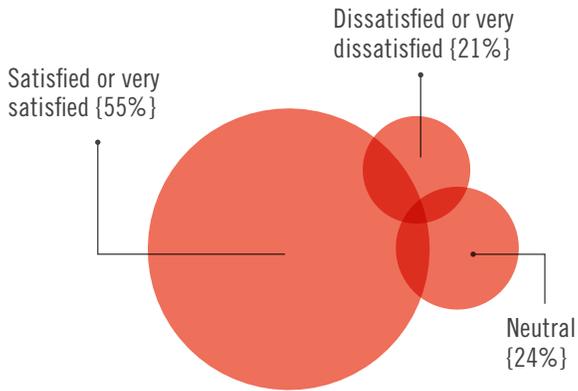
TOP BONUSES/CASH REWARDS

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

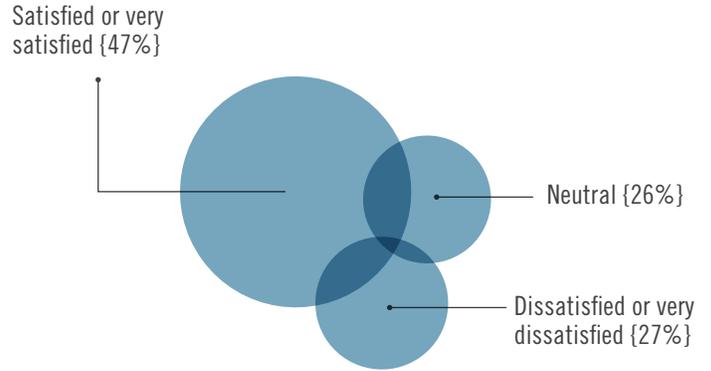
After a few years of slow growth, average salaries for service managers have picked up, increasing from \$81,332 in 2014 to \$84,161 in 2015. Service managers also report receiving around \$26,000 in additional non-cash and indirect cash rewards and \$8,000 in stock options. By job title, operations managers earned the highest salaries (\$90,037), followed by general managers (\$89,863), vice presidents of service (\$83,025), regional service managers (\$78,612), and service managers (\$76,267).

We also saw small increases this year in the percentage of respondents who received various types of benefits from their companies. Ninety-nine percent of respondents benefit from company-sponsored health insurance plans, 97 percent have a company car or a car allowance, 51 percent were reimbursed for certifications, and 35 percent received reimbursement for further education or training. In addition, 76 percent of copier service managers were given performance bonuses in the last 12 months and 68 percent participated in company profit sharing programs.

SATISFACTION WITH COMPENSATION PACKAGE



OVERALL SATISFACTION



Between 2002 and 2015, the average number of hours service and operations managers work increased by more than 20 percent. Today’s service managers work an average of 59 hours per week, compared to 49 hours a decade ago. We believe this change, like many others, has its genesis in solutions.

“As recently as five years ago, the industry standard was a two day turnaround time for repairs,” says Paul Schwartz, president of Copier Careers. “And when dealerships were servicing standalone copy machines, that was an acceptable timeframe. But now that they’re managing networks, response time has to be closer to two hours than two days, because when the network goes down, everything goes down. As a result, the copier channel has had to shift from a 9-to-5 mentality to a 24/7 mentality.”

Service managers are not the only people whose hours have increased. Sales managers and service technicians—the other two categories of employee whose hours we track—are also working much longer hours now than they did before the MPS & MNS era. Until something else comes along to disrupt this pattern, the 60 hour work week for managers will likely remain the new normal.

AVERAGE HOURS WORKED PER WEEK

2002	48
2004	49
2006	49
2008	51
2010	52
2012	52
2014	58
2015	59

“ WHEN THE NETWORK GOES DOWN, EVERYTHING GOES DOWN. AS A RESULT, THE COPIER CHANNEL HAS HAD TO SHIFT FROM A 9-TO-5 MENTALITY TO A 24/7 MENTALITY.



ONLY 17 PERCENT OF SERVICE MANAGERS SAY THEIR COMPANIES DO AN EXCELLENT OR GOOD JOB OF ATTRACTING NEW EMPLOYEES.

TOTAL NUMBER OF YEARS IN COPIER INDUSTRY

2002	23
2004	23
2006	25
2008	23
2010	25
2012	23
2014	19
2015	16

Over the past few years, the length of time copier service managers have worked in the industry has declined rapidly.

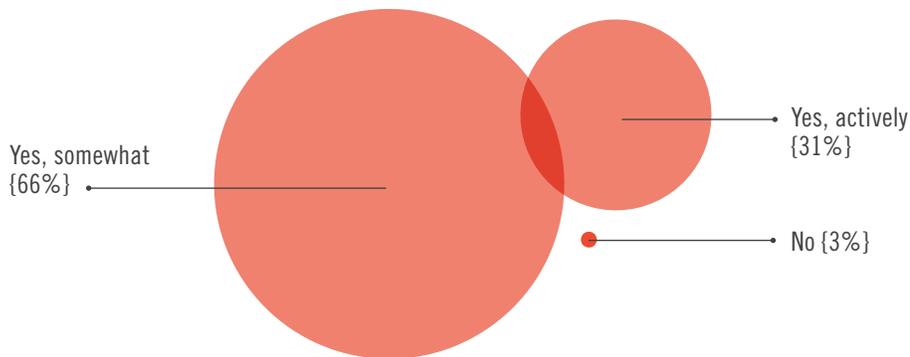
From 2002 (the first year we conducted our salary survey) through 2011, the average amount of time a service manager had worked in the industry hovered between 23 and 25 years—meaning that, in many cases, the person in the service manager position was approaching retirement age. Around 2012, however, that number began to fall, and today the average copier channel service manager has been in the industry for only 16 years. In other words, the average age of the service manager has fallen significantly: we’re looking at people in the middle of their careers, rather than at the end.

“We’ve seen a pretty clear generational shift when it comes to the service manager role,” says Crowley. “Over the past few years, a lot of the break/fix-oriented service managers have either retired from the industry or been replaced by someone with a better handle on how to run a solutions-based service organization. There’s been a definite changing of the guard.”

An additional change, which may also relate to this generational shift, lies in the willingness of service managers to participate in the job market. In 2002, a third of all copier service managers said they were not currently looking for a job with a different employer. Today, only 3 percent say they’re not looking.

“The days of cradle to grave employment are over,” says Schwartz. “Service managers are still an incredibly stable category of employee. They do not change jobs frequently, and when they do it’s typically for a very good reason. However, we’ve noticed that service managers today are a bit more open to new opportunities than they were five or ten years ago.”

ARE YOU LOOKING FOR A NEW JOB?



WHY ARE YOU LOOKING FOR A NEW JOB?

1. Want higher compensation
2. Job market opportunities are too good to pass up
3. Seeking a more dynamic company
4. Don't like my present company's management or culture
5. Want more interesting work

WHICH JOB-RELATED ISSUES MATTER MOST TO YOU?

1. Benefits
2. Base pay
3. Company's understanding of the importance of IT
4. Bonus opportunities
5. Ability to work on creating new innovative IT solutions
6. Financial stability of company
7. Understanding the company's business strategy
8. Ability to work with leading edge technology
9. Job stability
10. Seeing how my job helps achieve company goals

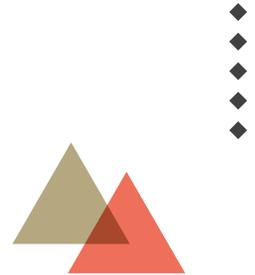


As we mentioned in our 2015 Service Technician Salary Survey, for years the industry has been facing a shortage of qualified hybrid technicians—people with both break/fix and networking skills—and dealing with this shortage presents serious recruiting, training, and retention challenges for service and operations managers.

“We have to remember that MPS and MNS emerged at the exact same time that the Great Recession was happening,” says Schwartz. “So, at the point when our industry really needed to be training in new hybrid technicians, dealerships and manufacturers were instead running their operations as lean and mean as they possibly could, and were relying on senior staff—rather than new hires—to keep things going. Now that the economy has improved, our clients would love to hire additional technicians for bench strength, but there simply aren’t enough qualified people to go around. To maintain the staffing levels they need, service managers have to put constant energy into recruiting and training their technical staff.”

The other area where service managers need to invest significant energy is in carving out a role for themselves, their staff, and their organization in this new solutions-based world. Which is just as challenging as it sounds.

“The service side of this business has completely changed over the past few years, and the service manager is at the center of these changes,” says Crowley. “For the most part, dealerships have figured out how to adapt to the new business model. Now the challenge for service managers is to figure out how they can help differentiate their companies from the competition, explore how they can use the staff they have to support the sales team, and define what changes they need to make to move the organization forward and stay ahead of their customers’ needs. It’s an increasingly strategic role, and it requires service managers to stay on top of where the industry is headed.”



When asked what matters most to them, service managers increasingly answer in terms of technology and strategy.

“Understanding the company’s business strategy,” “seeing how my job achieves company goals,” “the ability to work with leading-edge tech,” and “company’s understanding of the importance of IT” have consistently climbed the ranks in recent years. Service managers also report increased interest in working for startup companies: 18 percent of respondents who are looking for a new job listed “want to join a startup company” as one of their reasons for initiating a job search.

“If you look back at previous years’ surveys, nobody wanted anything to do with startups,” says Schwartz. “But now that the economy is getting back on track, people are willing to take a risk again. In addition, MPS and MNS have allowed newer organizations to compete with larger entities on a pretty successful level. For service managers who have tried with limited success to create change in more traditional organizations, going to work for a tech-forward startup presents a very attractive alternative.”

Where the future is headed is anybody’s guess, but what’s certain is that the people most qualified to influence its course are already well established in the industry: they’re the new generation of service managers. Whether they’re working for traditional dealerships or for innovative newcomers, as long as they continue to push for change and encourage more collaborative organizations, the industry is likely to see continued success with MPS, MNS, and whatever the next big thing happens to be.

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ABOUT US

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

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