

CopierCareers®

TWENTY-

SIXTEEN

SERVICE &

OPERATIONS

MANAGER

SALARY

SURVEY

NOVEMBER

IT IS NOT AN EXAGGERATION TO SAY THAT THE PAST TEN YEARS HAVE REMADE THE COPIER INDUSTRY COMPLETELY.

The dealer channel, once focused on hardware sales and paper-based processes, has evolved to provide sophisticated information management services delivered across vast networks of varied devices. This convergence of the copier and IT industries has bolstered independent dealers in numerous ways, providing them with new, reliable revenue streams and ushering in an era of stability and growth.

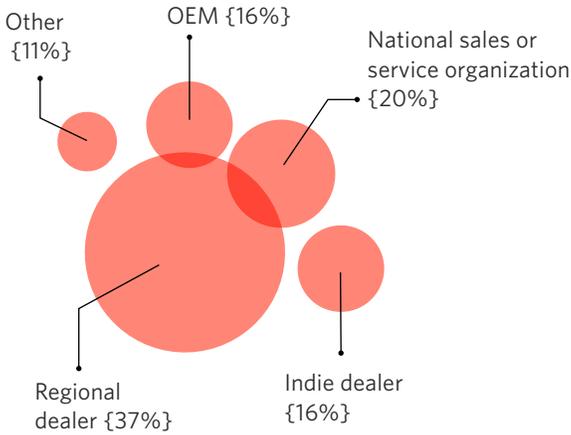
As the channel has evolved to take advantage of 21st century business opportunities, the professionals who work in the channel have had to adjust their mindsets and evolve their skills. One of the roles that has been most changed by the evolution of the copier channel is that of the service manager.

“In the old days, service managers were the guys who knew exactly where to kick some machine to make it work,” says Paul Schwartz, president of Copier Careers®, a recruiting firm that works exclusively with copier channel employers and candidates. “But now the service manager or operations manager is a much more strategic and analytic role, focused on managing sophisticated workflow solutions and collaborating closely with the people responsible for sales, finance, and business strategy.”

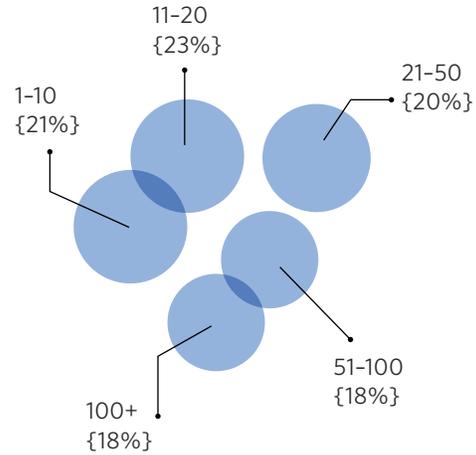
1,804

ONE THOUSAND
EIGHT HUNDRED
& SIXTY-FOUR
SERVICE AND
OPERATIONS
MANAGERS
PARTICIPATED
IN THIS YEAR'S
SALARY SURVEY

WHO DO YOU WORK FOR?



HOW MANY PEOPLE DO YOU SUPERVISE?



Since 2002, Copier Careers has conducted annual surveys of copier service technicians, sales managers, and service & operations 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 2016 Service & Operations Manager Salary Survey reflects the responses of 1,864 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 (16%), multi-location regional dealerships (37%), national sales and service organizations (20%) and OEMs (16%). Another 11 percent list their employers as “other,” a designation which likely includes many IT and MNS providers. The size of the departments they manage varies significantly, with 21 percent managing fewer than 10 people, 23 percent managing between 11 and 20 people, 20 percent managing between 21 and 50 people, 18 percent managing between 51 and 100 people, and 18 percent managing more than 100 people.

AVERAGE HOURS WORKED PER WEEK

2002	48
2004	49
2006	49
2008	51
2010	52
2012	52
2014	58
2015	59
2016	60

AVERAGE ANNUAL SALARY

	2004	2006	2008	2010	2012	2014	2015	2016
All job titles	\$69,220	\$70,547	\$75,554	\$75,795	\$78,428	\$81,332	\$84,161	\$84,426
Service Manager	\$60,099	\$61,564	\$67,739	\$67,008	\$71,010	\$74,553	\$76,267	\$77,411
Regional Service Mgr	\$69,367	\$69,990	\$74,029	\$72,107	\$75,002	\$77,222	\$78,612	\$78,683
VP of Service	\$72,813	\$74,112	\$79,621	\$78,765	\$79,040	\$81,318	\$83,025	\$84,519
Operations Mgr	\$71,840	\$74,169	\$79,063	\$82,105	\$83,887	\$86,657	\$90,037	\$90,037
General Manager	\$71,980	\$72,899	\$77,318	\$78,991	\$83,201	\$86,908	\$89,863	\$91,480

The majority of service and operations managers (58%) say they're either satisfied or very satisfied with their level of compensation. Twenty-two percent say they're neutral—neither satisfied nor dissatisfied—and 20 percent say they're either dissatisfied or very dissatisfied with their compensation.

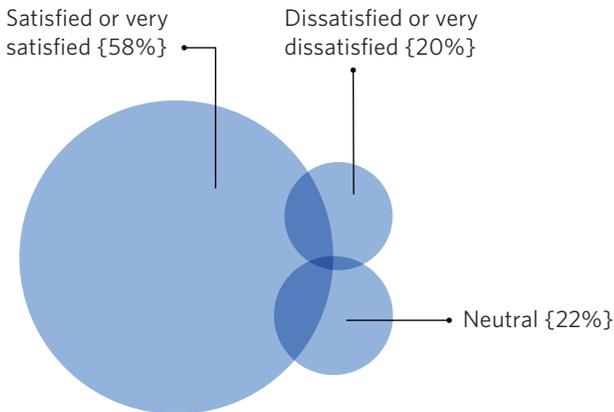
Salaries for this position vary by job title, with general managers earning the highest average salaries (\$91,480). They are followed by operations managers (\$90,037), vice presidents of service (\$84,519), regional service managers (\$78,683), and service managers (\$77,411). In addition to cash compensation, 99 percent of respondents received health benefits this year, 99 percent received a company car or a car allowance, 55 percent were reimbursed for certifications, 39 percent received company-paid education or training, and 29 percent were reimbursed for tuition expenses. Seventy-seven percent received some form of personal performance bonus over the past year, and 69 percent participated in company profit sharing programs.

According to Jessica Crowley, Business Development Manager and Senior Recruiter for Copier Careers, compensation for service and operations managers has become more closely tied to performance over the past few years, as understanding and improving managed service margins has become a key responsibility for people in this position. “The more knowledgeable service managers become on the finance side, the better equipped they are to adjust their workflows and price their services to ensure healthy margins,” says Crowley. “Over the past few years, we’ve seen that translate into more bonus potential for service managers and higher levels of satisfaction with compensation.”

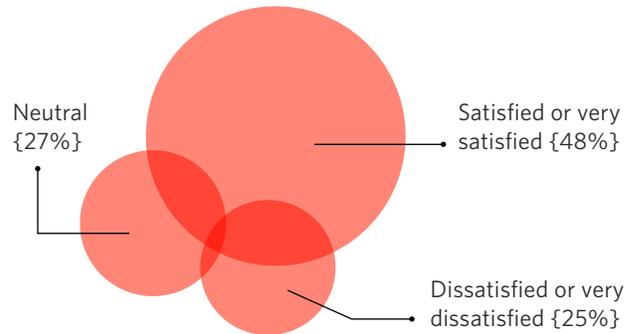
Overall job satisfaction is lower than satisfaction with compensation: only 48 percent of service managers say they are either satisfied or very satisfied with all aspects of their jobs. According to Crowley, overall job satisfaction is typically more important to service managers than compensation alone.

“Compensation is huge,” says Crowley. “But based on the conversations I’ve been having with service managers, being exposed to new challenges and having the ability to run a department well are the most important things. It’s in the service manager’s nature to want to fix things, whether that’s a machine or a situation. So feeling like they’re able to constantly improve their dealerships and achieve their goals is absolutely essential to overall job satisfaction.”

SATISFACTION WITH COMPENSATION



OVERALL SATISFACTION



One of the most significant changes we’ve seen recently is that the average experience level of service and operations managers has plummeted. In 2011, the average service manager had worked in the copier channel for 26 years. This year, the average length of service is only 13 years.

Why the sudden drop? We believe a number of economic, demographic, and technological factors are involved, all of which have contributed to a swift generational transformation in this position.

“We’ve seen a pretty clear 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.”

With this shift, other changes have occurred as well. For one, the percentage of women in service manager positions has doubled over the past six years, from 10 percent in 2010 to 20 percent today. We’ve also seen a major values shift as job-related issues that barely registered in the early days of this survey have become hugely important to today’s service managers. Issues like “seeing how my job helps achieve company goals” and the “ability to work with leading-edge technology” have become essential factors in overall job satisfaction.

AVERAGE NUMBER OF YEARS IN COPIER INDUSTRY

2002	23
2004	23
2006	25
2008	23
2010	25
2012	23
2014	19
2015	16
2016	13

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SERVICE
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TO FIX THINGS,
WHETHER THAT'S
A MACHINE OR A
SITUATION."

THE AVERAGE COPIER CHANNEL SERVICE MANAGER WORKS 60 HOURS PER WEEK

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 REASONS FOR EARNING BONUSES

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

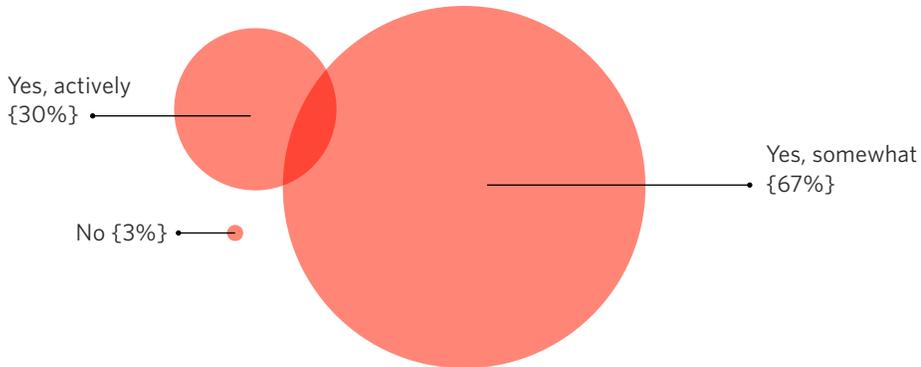
One thing that hasn't changed much over the past decade is the desire of copier channel employers to recruit from within the industry. As the service manager position has transitioned to a more analytic and strategic role, it has become less important for the person in that position to have a break/fix background and, conceivably, we might expect to see more dealerships recruiting service managers from IT, finance, or other industries. To date, that has not come to pass, and we still see a strong preference among copier channel employers to either promote from within the company or recruit from within the copier channel.

“Despite all of the technological changes that have taken place over the past decade, the copier channel has stayed intact,” says Schwartz. “It’s a real testament to the strength and persistence of the independent dealer channel. Although the channel has continued to broaden, it is still a very specific niche, and time after time we find that our clients prefer to hire candidates who have come up through the channel and who understand the ins and outs of this industry.”

Crowley adds that some of this preference may be due to our industry’s continued strong emphasis on customer service.

“When it comes to the service manager position, no matter how much our clients want that individual to run the numbers and figure out where the profit is, they have an even greater need to find a service manager with a really strong customer service focus,” says Crowley. “No matter how technically sophisticated this industry becomes, it will always at its core be about service and relationships.”

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. Seeking more interesting work
5. Don't like my current company's management or culture

WHICH JOB-RELATED ISSUES MATTER MOST TO YOU?

1. Base pay
2. Benefits
3. Company's understanding of the importance of IT
4. Bonus opportunities
5. Understanding the company's business strategy
6. Ability to work with leading-edge technology
7. Financial stability of company
8. Ability to work on creating new innovative IT solutions
9. Involvement in company strategy setting and determining goals
10. Company-provided computer

***"WE'VE RARELY SEEN THE
INDEPENDENT DEALER CHANNEL
AS ROBUST AS IT IS TODAY."***

As the industry continues to evolve, the service manager position will undoubtedly continue to evolve with it, and the people in the position will need to work hard to balance its strategic, analytic, and technical demands with the core mandate to provide unmatched customer service. It's a tough assignment, but we feel confident that today's service managers are up to the task of moving the industry forward while keeping sight of what's most important: serving the customer.

"We started Copier Careers back in 1985, and every few years, somebody comes along and predicts the death of the independent dealership," says Schwartz. "But it never happens. In fact, we've rarely seen the independent dealer channel as robust as it is today. With the broad range of core business solutions that are currently being delivered, businesses feel more strongly than ever that they need to work with local partners they can trust. Amazing service—and, by extension, amazing service management—remains essential to every dealership's success." -CC

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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.