DRIVING EFFICIENCY
Through Small Changes
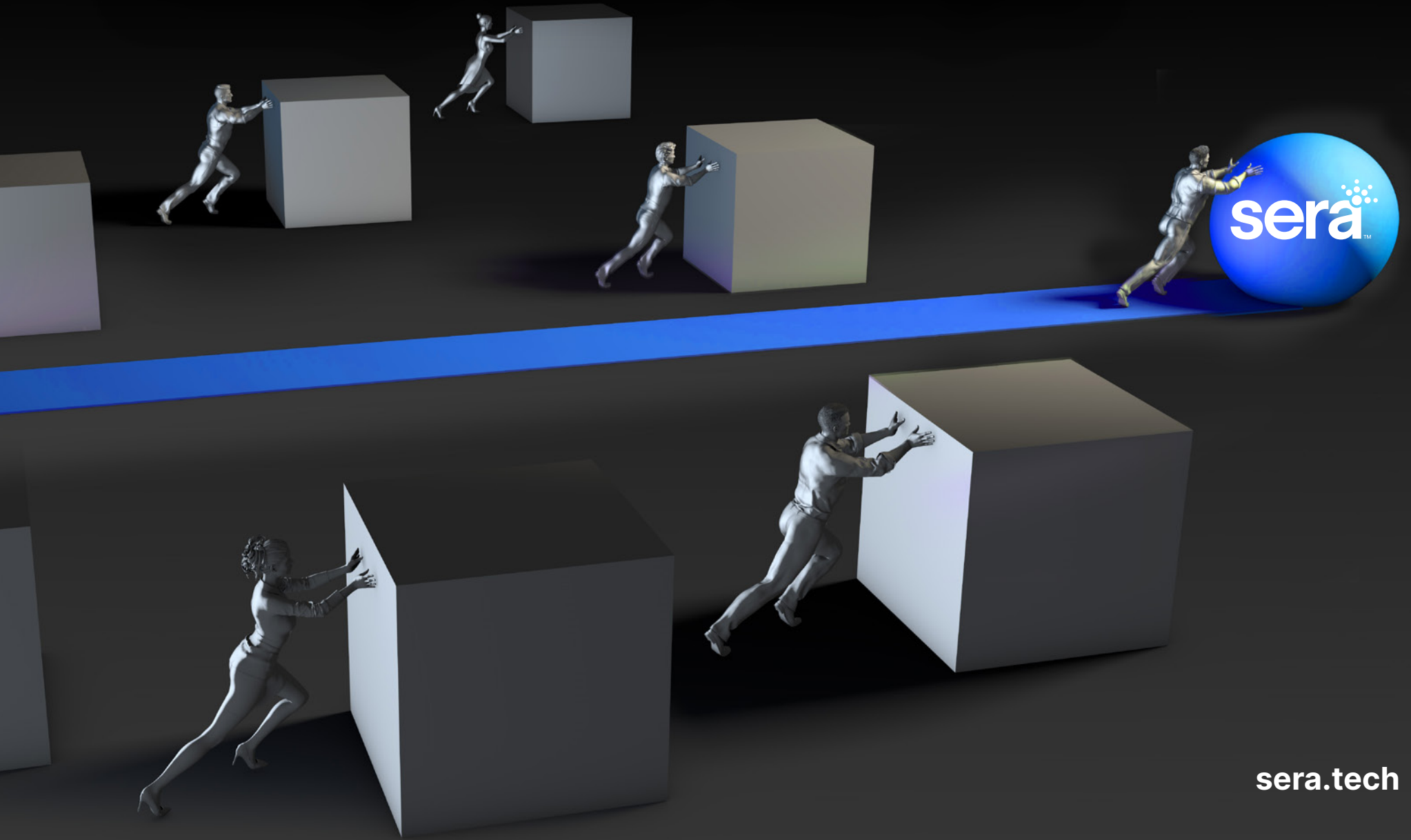
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TABLE OF CONTENTS

Sometime around the turn of the 21st Century, some smart service operator said, "Holy cow, we aren't charging everybody the same price for the same results and customers don't like it!"

Enter flat-rate pricing. Techs know what to charge and customers know the price up-front. Everybody's happy.

Well, not quite everybody. Operators now are finding the costs of products and materials are going up faster than they can raise their own prices. If you charge what you need to survive, you can price yourself out of the market. If you don't charge enough, you bleed cash.
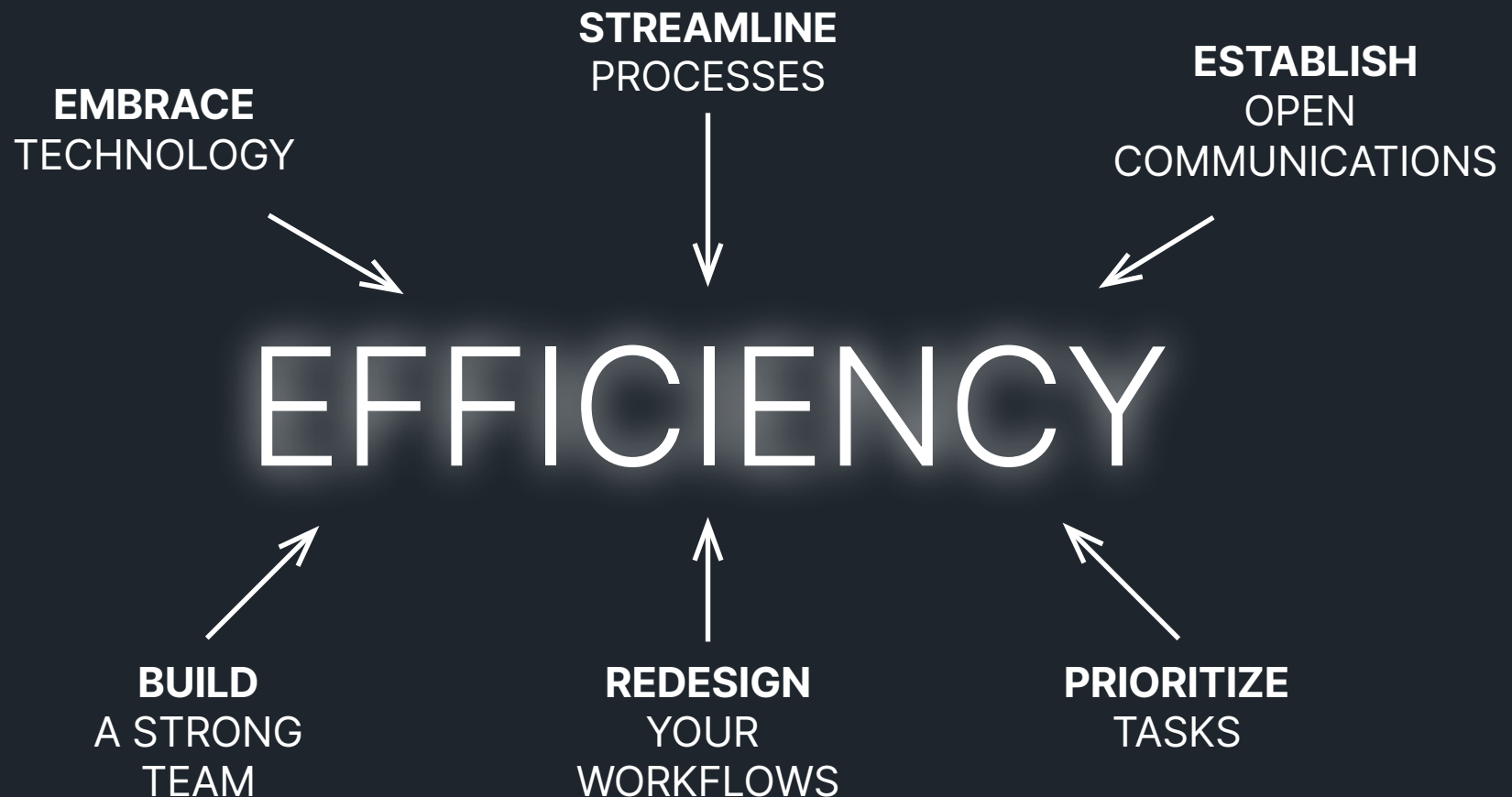
CHALLENGING TIMES

Things are changing fast for field service businesses in HVAC, plumbing, electrical, garage door, and across the board. The supply chain disruption caused by the global COVID-19 pandemic was an eye-opener for all, a crisis for some.

Then came the worst inflation in decades, along with stricter environmental laws causing big price increases on products and parts. As prices have gone up, homeowners have been opting more often to repair instead of replace.

If a big part of your revenue comes from new installs, you're probably looking for some other way to offset the loss. The answer is the same for any business.

A: The most effective – and life-changing – way to fight fast-rising costs is to get more efficient in all your daily operations. It sounds like a tall order, but it can be simpler than you may think if you have the right software and motivation.

EMBRACE TECHNOLOGY

STREAMLINE PROCESSES

ESTABLISH OPEN COMMUNICATIONS

EFFICIENCY

BUILD A STRONG TEAM

REDESIGN YOUR WORKFLOWS

PRIORITIZE TASKS

FIELD SERVICE MANAGEMENT SOFTWARE 3.0

A new era of field service management software from Sera is boosting the efficiency of small-to-medium-sized field service businesses by automating the routine, repetitive tasks of scheduling and dispatching. But Sera does a lot more than that.

The Smart Scheduler, Dynamic Dispatcher, Intuitive Tech App, and Automated Admin Portal work seamlessly together as a complete business solution to manage field service companies more efficiently and profitably.

It is the first full-suite FSM software based on each subscribing business's Profit & Loss Statement, setting prices derived from net profit margin targets. Owners can track profitability and efficiency to the minute with live data. Best of all...

- No guesswork
- No complicated formulas
- You keep more of what you earn

Sera brings in customers and helps you keep them. A built-in membership manager builds and manages a strong customer base – another industry first.

Can't find enough techs to grow your business? You'll especially like Sera's built-in job time efficiency measurement tool – also an industry first. It improves each tech's efficiency so much it's like adding techs without the additional costs.

40%

of online appointments are booked after office hours

SMALL CHANGES MAKE BIG DIFFERENCES

To be clear, there is no cure-all wonder drug to suddenly get efficient. Real, lasting change comes from incremental improvements to how we do common tasks every day.

Save five minutes here, and 10 minutes there on a repetitive task and it adds up fast. Eliminate steps that don't add value to a process. Automate repetitive tasks. Our research shows that the average customer service call requires staff contact with the customer 28 times, start to finish. Sera reduces that to 3.

Unlike other online schedulers, Sera can match the right tech with the desired appointment time in milliseconds. No additional monitoring is needed.

Field service companies that add online self-scheduling book the majority of appointments online because customers prefer it. Customers can schedule when they think of it, including when no one is at the office.

About 40% of online appointments are booked after office hours. Without customer self-scheduling, most of those appointments would go to a different business.

To flesh out the power of small change/big effect, let's look at a company that averages 540 service appointments per month to see some of the effects. If customers book their own appointments on the company's website, it will take about four minutes – time they gladly invest to fit the appointment easily into their schedules.

That four-minute customer transaction saves four minutes for a CSR who has no involvement in the booking. If 30% of those 540 appointments (162) are booked online the business saves 648 minutes, or 10.8 hours that month, and 129.6 hours for the year.

Automate Dispatching via FSM Software

	30% of appts are automatically dispatched
Number of appointments	162
Minutes saved per month	648
Hours saved per month	**10.8**
Minutes saved per year	7,776
Hours saved per year	**129.6**

Numbers based on 540 appts. per month. Assuming a rate of $25/hour for office staff, including taxes and benefits, the 129.6 hours translates to $3,240. Realistically, the savings would be much greater.

THE BUTTERFLY EFFECT

Here's the kicker: those seemingly small improvements to a process in one area, such as minutes saved with each appointment booked online, can have even bigger impacts in other parts of the company.

In nature, it's called the Butterfly Effect. That name comes from a meteorologist who traced backward from a Texas tornado to see all the steps that led to its devastation. He concluded it all was set in motion weeks earlier when a butterfly flapped its wings in a distant forest, setting off a seemingly unrelated chain of events.

In field service management terms, CSRs and dispatchers can use the time they aren't on the phone with techs asking when they will complete their current job. This allows them time to personally follow up with customers, which gives you a serious competitive advantage.

Customers appreciate the extra attention. They return the next time they need help, and they tell their friends about you. Your customer acquisition costs go down, which increases profit, and so on. Small changes in one place make big differences in others.

TIME IS MONEY AND WHAT TO DO ABOUT IT

All of us in the home services industry are trading time for money. We sell things, too, but time is the bottom line.

Time wasted – the essence of inefficiency – is an opportunity cost. It's a loss you can't get back, but which you can prevent by tracking each minute as you use it. If you don't measure it, you can't manage it. You need to track the time usage of everyone in the company.

TIME TRACKING

Labor costs are the silent profit killers of the field service business. These costs hide in plain sight. That happens because most owners have no way to accurately track the actual hours invested in a job.

Here's an example.

1 A tech makes a call on a customer with an older AC system, checks it out, and adds refrigerant to keep it running. He advises the customer and schedules a salesperson to follow up.

2 The salesperson drives out, makes the sale, and schedules an installation date.

3 A two-man install crew installs the equipment on the scheduled date.

That makes **four people** involved in the process, not counting the original appointment scheduling and dispatching. Let's assume the tech spends two hours on-site and in transit during the initial call, and that the salesperson also will invest about two hours. The eight-hour installation is not eight hours but 16 because there are two installers.

That's a total of 20 hours of labor in a straightforward service and install job. In reality, most companies allow 8 hours for this scenario, which is 12 hours short of reality. If you're not charging for that amount of time, you're losing money and operating inefficiently.

If you underprice any job because you didn't accurately estimate the hours required, you are operating inefficiently. Sera field service management software tracks the time of all employees to dramatically increase efficiency.

IMPROVING JOB TIME EFFICIENCY

Accurate job time tracking is one part of measuring job time efficiency. By tracking each minute of each employee's time every day, you can see if you are accurately budgeting the amount of time to complete each task in your price book.

Most owners using **flat-rate pricing** set prices based on anecdotal information collected over time, but they have nothing solid to back it up.

Sera has a **Job Time Tracker** built into the Tech App that accounts for every minute of time spent on a task. Techs can track it on the Tech App and office staff can track it in the Admin Portal.

Live and historic reports show whether techs are completing tasks in the time budgeted or if they are over or under. If you are tracking work crews, Sera provides a Work Crew feature to account for assistants, parts runners, and others not using the Tech App.

Over time – at least 90 days– you will benefit from the hard data that will tell you if you need to increase or reduce the budgeted time for a task and adjust your prices accordingly. You can do that in less than two minutes in Sera's price book.
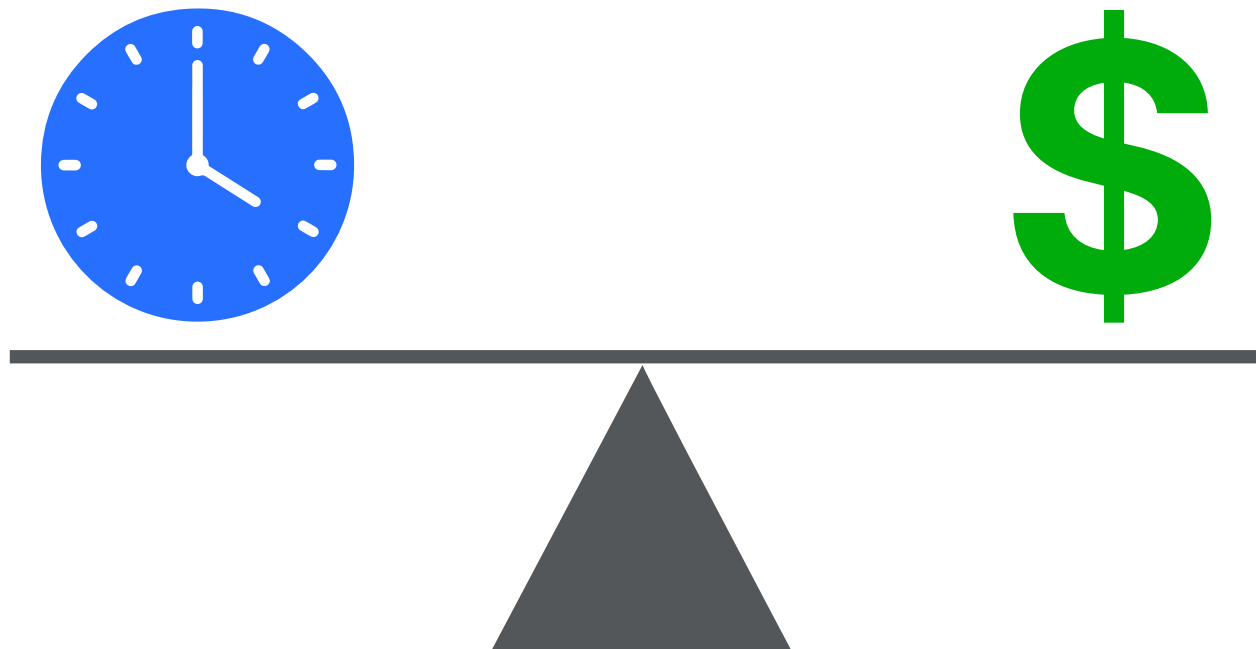
YOUR GOAL: 100% EFFICIENCY

Setting a goal to operate at 100% efficiency may sound impossible but it's not. That happens when you are charging for each minute of each day of each employee's time throughout the year.

Techs and staff get on board when you share with them their own performance numbers and how they contribute to overall company performance. People WANT to know how they are doing and most of them sincerely want to improve.

Transparent communication about performance and goals helps develop a culture of excellence that makes people look forward to going to work.

100%

0%	1%	2%	3%	4%	5%	6%	7%	8%	9%
10%	11%	12%	13%	14%	15%	16%	17%	18%	19%
20%	21%	22%	23%	24%	25%	26%	27%	28%	29%
30%	31%	32%	33%	34%	35%	36%	37%	38%	39%
40%	41%	42%	43%	44%	45%	46%	47%	48%	49%
50%	51%	52%	53%	54%	55%	56%	57%	58%	59%
60%	61%	62%	63%	64%	65%	66%	67%	68%	69%
70%	71%	72%	73%	74%	75%	76%	77%	78%	79%
80%	81%	82%	83%	84%	85%	86%	87%	88%	89%
90%	91%	92%	93%	94%	95%	96%	97%	98%	99%

DOUBLE YOUR MONEY

There is a big gap between 100% efficiency and how companies are actually operating. The Gallup organization says all home service companies operate at about 38% efficiency. If a company is operating at that level, it likely has an EBITDA (cash flow) of 0-8%.

Now, think of what happens when that company improves its efficiency over time to 76%, twice the industry average. The effect on net profit is like doubling the business – without adding any technicians or support staff!

That is how you get out of the rut of constantly raising prices for materials and labor and keep your head above water.

ABOUT SERA

Sera Systems offers a new era of field service management software that is increasing revenue by more than 50% for small-to-midsize field service companies within six months of installation.

Sera focuses on what contributes most to profitability – Time Management, Profit Margin, Cash Flow, and Membership Management – lets you manage what matters most.

Click to learn more about Sera or visit sera.tech

LEARN MORE ABOUT SERA

Margin Management

Cash Flow

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