Systematise Your Business

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Why the old way of doing things no longer works!

At a seminar we ran for the field service industry some years back, I was bombarded with questions from business owners and service managers regarding customer complaints and how to handle them. They shared several horror stories about customer disputes and how they could quickly spiral out of control.

Customer disputes are often problematic and take time and effort to resolve. In the end, the customer mostly "wins"; especially if the complaint is about errors on invoices, service reports or any other document sent to them. Many business owners take a rather nonchalant approach to customer complaints. "I am used to it already. It's part of doing business." This mindset is wrong in so many ways. Just because it happens all the time doesn't mean it has to. And when it does happen, you should have processes already in place to address the problem and modify any company procedures to reduce any recurrence of the problem.

Resolving customer disputes is tedious and causes frustration and friction between the customer and your company. I always advise that resolving the dispute is not enough. You need to find the root cause of the problem and try to stop it from happening again!

As a business owner, you should realise that every complaint and dispute has an impact on your business in one way or another. There is loss of confidence on the part of the customer, loss of income on your part for the particular complaint, and potential loss of future revenue if you lose that customer.

So, get to the root of the problem! Here are some of the usual causes of customer disputes:

> "Customers complain that there is incorrect information on the original work order that leads to confusion and a disconnect between what the customer wants and what the worker understands his task is, so the worker is not ready when he arrives on site to do the job."

> "We were having problems getting correct and updated information on equipment, parts, schedules, and maintenance, etc. When customers ask for it, we cannot provide it to them right away!"

> "We often send invoices out with errors. The customers aren't happy."

The customer is not happy. These are words that you definitely don't want to hear!

These are some of the common problems/complaints by customers. I am sure there are many others:

- The site contact details are incorrect.
- The billing address is incorrect.
- Parts billed were not used or the price is incorrect.
- The serial number of equipment serviced does not belong to me.
- The invoice total is incorrect.
- Why are you charging me if the equipment is under warranty?
- Why didn't you turn up for your scheduled maintenance?
- Why have you charged me for the quarterly maintenance?
- It's all covered under an annual maintenance agreement.

Now all of the above have a common theme. The information presented is incorrect or perceived to be incorrect in some way. There are many causes for this, from the bad handwriting of workers and staff, information being updated in an untimely manner, to the inadequate checking of information that comes in. Variations are often done on the spot and information is not logged properly. Incorrect part numbers are used, time is not logged or billed. The list goes on and on. Ultimately, the cause of inaccurate information presented to your customers lies in the lack of a proper recording mechanism, inadequate checking for incorrect part numbers used and poor job or time management. The reality is, most businesses simply can't efficiently manage the influx of information and so corners are cut.

You already know the volume of information and details you need to manage for one customer. Apart from the company name and address, you have multiple contact names, phone numbers and email addresses. What about special parts or labour pricing, or agreed performance criteria? Are there maintenance agreements to manage, lists of equipment with serial and asset numbers that need to be routinely maintained? What if your company grows? What if you now have 500 customers or 1000 customers? How will you cope managing and updating all of the information if you have inefficient processes and systems in place? Do not assume that your current process scales up seamlessly. Running a company with two field workers is very different from one with ten, twenty or more. Any errors that occur when you are small are magnified tenfold as you grow.

Jess's story – busy, chaotic, but now so much more organised

Summer is the busiest time for Jess, who owns an air conditioning and refrigeration company that services mostly small to medium commercial establishments and residential clients. His staff have become overloaded with calls for installation, maintenance and repair services. He has twelve people on his team, eight field workers and four doing admin and bookkeeping jobs. They use MYOB for back office billing. The problem is that the system is not integrated properly into their business workflow. Workers in the field are issued with printed job books and log new calls into them. MYOB does not get updated until the paperwork is returned and typed into their system for billing. They have several sources of information

and a mix of computerised and manual job filing. The process is a bit disjointed and hard to learn, but it's worked for them in the past so they are stuck with it.

Because job information is entered manually into printed job books, it is prone to human error. As they get busier, customer complaints rise. Reasons vary from incorrect customer details, inaccurate or incomplete job information, delayed service due to unavailable spare parts, missed jobs, etc. Staff frequently double book and there are countless complaints, both from the customers and the field workers as well. They do not have a single point of access to all job information, including customer and site details, billing information, parts and time used, and field workers have no access to job history. Customer queries require a mad scramble to different places from their billing system, including the filing cabinets, or calls to workers in the field. Worse still, audit trails are not kept, so they have no idea how the information got there in the first place, or how it has changed over the life of the job.

The 'you-know-what' hits the fan during heatwaves and the phones go wild. Worse still, customers contact field workers directly and jobs are often double-booked. Jess himself has to explain these errors to the customers and make new booking arrangements, but of course, the harm has been done. Two of the customers cancelled and booked elsewhere. Jess cannot afford to make these mistakes. He is losing money and

customers and has to think of a quick and affordable way to address the problem.

One of his field workers suggested a system he had used in his previous job. It not only did the billing but also managed the jobs, making it easy to look up the job history, and placing information in the hands of workers in the field. It was a simple, user-friendly and the cost was reasonable. Better still, it provided a full upgrade path to the full "bells and whistles" version if his business ever grew. When implemented, Jess was pleased with how it improved his business. The office is still chaotic and busy, but much more organised. His staff are now able to answer customers' queries quickly and accurately. They no longer have to re-enter job information, which has reduced errors and allowed his staff to better manage increased workloads. They have also almost entirely eliminated no shows and double-ups since the system has an integrated calendar showing where everyone is at any time. Jess has not only increased productivity and improved profitability, but has also raised customer satisfaction.

By the way, the accounts person is also happy because the new system links directly into her accounting program (MYOB), which she can keep and so she does not have to learn something new.

If your business runs a manual job handling system, there are a hundred and one ways that things can go wrong, simply because it is prone to human error. Putting some sort of integrated system in

place will probably eliminate half of these problems, possibly more. How many hours do you or your staff waste during and after business hours, fixing errors and dealing with customer disputes that could be easily avoided?

One exasperated accounts receivable manager told me:

"It frustrates me no end when irate customers call me and complain about errors with the invoices. We often appear inept and unreliable. Customers often refuse to pay until it is sorted out. Then I have to involve the service manager, who has to call the field workers. We have to search filing cabinets and spend valuable time we don't have, working out just what has happened. Sometimes we are right, but often there is a legitimate mistake. There must be something we can do to prevent these costly errors in the first place!"

When looking for a software system, I usually suggest that my customers look for the following:

- A single point of entry for all job information, totally eliminating any re-keying.
- 'One-Click' job history.
- Shared calendar scheduling to reduce scheduling conflicts.
- Automated job creation and invoicing for maintenance obligations.
- Two-way integration with your accounting system.
- The ability to purchase an entry-level system to start with, which can grow as your needs expand.

The last point is often overlooked. Many companies rate systems based on how well they solve their immediate problems, without regard for some years down the track when they might have doubled in size or taken on other tasks they do not currently handle. Apart from the cost, implementing a new system involves some level of business disruption and stress as the new systems are integrated, and you don't want to be doing it all over again two years down the track.

Another area that is underestimated is customising the system to your needs. There is far more to implementing an integrated system than buying it off the shelf and installing it and expecting it to transform your business. The scope for this discussion is well beyond this book, but look into the consulting capabilities of the company you source your system from, as this can make a huge difference.

Take control of your business now. Find a system that is right for you, so you can look at your future with confidence. Not only will you significantly reduce the tedium of dealing with errors with this change, you will now be able to provide outstanding service to your customers.

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