Letter of Expectations

**To: All Service Technicians**

**From: Brad and Gary**

**Subject: 20XX Role Description, Training & Incentive Plan**

20XX is a crucial year for ABC with respect to change, and the importance of your position in the company.

Sales Management is always at the forefront in our company values.

The Sales Management function must be a leading practitioner of “Better Practices” that make the sales department the model for “Sales Excellence” in the market place not just HVAC/Plumbing.

Simultaneously, we have the need as a company to enact changes that are difficult and require both understanding, and behavioral changes.

This position’s compensation, expectations, goals and implementation plan is enclosed.

You have an opportunity to earn well, perhaps better than ever before. It will be based on the performance of the department. You are the leader of the department.

You will be responsible for all Sales Management Functions including the call center.

It will require skills, leadership, and deft communication. It will be a challenge. It will be frustrating at times. It requires change. We believe you are up to this challenge and the right person to lead the changes!

You need to understand the Key Performance Indicators for your department and you need to drive the processes that support these KPI’s aggressively.

The challenge is large and will not be easy, yet it is attainable and can be both gratifying and profitable.

Please review the compensation and the Key Performance Indicators, as well as what the company feels is the critical success factors for 20XX and give us your input.

GM

20XX Service Technician Incentive Program

* Performance based pay plan based on Flat Rate task codes with an initial hourly rate of $ XX.00 per hour
* Sales Lead Turnover pay plans (attached)
* Standard Company Benefit Program including 401K
* The Total Company Employee Profit Sharing Program (See plan)
* Key Performance Measures for Service Technician Review:
* Billing Efficiency % in Service Target 75%
* Service Productivity of $ Sales 60.00 per hour
* Warranty Callback ratio 1% or less
* # of USA Service Agreements conversion rate 50%
* % of Renewals of Service Agreements Sold 85%
* Completion of Technical Training Program 100%
* # of Leads Turned from demand service 1 of 20
* 1st time call completion rate for a technician 70%
* Customer satisfaction rating 9.0 or higher
* Service Vehicle Inventory Accountability 100%
* Maintaining the company image policy subjective

The business plan initiatives for service department in 20XX are:

1. The hiring of two top level NATE certified technicians to support productivity and the ability of service to grow and meet its sales target.
2. Improving the service department efficiency rating to 75% (6/8) hours billable for each technician.
3. This includes the elimination of warranty callbacks to a level of 1% or less.
4. Getting paid for fire offs from construction at street rate
5. Improving the gross margin of service department to 60% overall.
6. Maintaining inventory on the trucks for proper vehicle stocking to complete calls the 1st time to a level of 70% in 20XX, and 80% in 2006.
7. Maintenance Agreement success to sell over 1000 with a target of 1500 agreements in 2025, and 3000 in 2006.
8. Developing service technician training program for 20XX and technicians to complete the training in 20XX.
9. To establish split shifts and set extended hours scheduling 7AM –7 PM.
10. Implement new software properly for service operations.
11. Establish inventory procedures and implementation for warehouse and service truck replenishment.
12. Effective implementation of flat rate pricing system and technician training.
13. Implement performance based pay.
14. Effectively training and executing technician lead turnovers for replacement leads.
15. Driving accessory sales of identified products on truck stock (humidifiers, air cleaners, UV lights, CO Detection, and Thermostats).
16. Maintaining cost controls – overhead at 40% or less with fleet control practices in place to control gasoline costs, and vehicle related costs.
17. Develop an image policy and maintain the image policy – trucks, uniforms, personal appearance, and demeanor for the service operation.

Service Technician Job Expectations Detail

**Title: Service Technician Reports To: Service Manager**

**Location: Field Operations FSLA Status: Exempt**

1. Company Values and Philosophies
2. Adhere to the company core values & beliefs.
3. Adhere to the company code of conduct.
4. Promote the company image and brand whenever possible.
5. Conduct your daily service tasks within the framework of the company customer satisfaction standards.
6. Work within the team first and individual second philosophy.
7. Come to work every day with appositive mental approach and attitude to work well.
8. Leadership Expectations
9. Each team member is a leader – set the tone for the service department through your approach to your role.
10. Work with all company personnel too train and coach where it is appropriate so all employees understand the service role.
11. Customer Service & Image Expectations
12. Achieve 100% customer satisfaction.
13. Achieve a customer experience where a customer is completely happy and satisfied with you, our company and our services.
14. Communicate any issues and concerns regarding customer service immediately.
15. Handle all customer related issues on site – if necessary draw in others.
16. Support warranty callbacks with the same zest we support a new customer experience.
17. Image policy of company is accepted and diligently maintained.
18. Service Performance Measures for a technician
19. Personally track/measure your targets and work to improve your performance.
20. 1st time call completion rate.
21. Productivity billing to target rates (vehicle productivity).
22. Customer satisfaction rating system to target.
23. Utilizing the service processes – maintenance agreements.
24. Lead creation based on company values and philosophies.
25. Educating and offering customer information utilizing the customer KIT.
26. Maintaining inventory on your vehicles to company standard (Accountable for inventory).
27. Keep your vehicle clean, neat, and inventory in specified place in truck.
28. Expense controls at target set by service manager.
29. Communications, Reporting & Compliance
30. Communicate any issues to supervisor immediately for resolution.
31. Attend all service meetings.
32. Attend all service training workshops.
33. Attend all safety workshops.
34. Turn in paperwork at proper times as noted by service department policy.
35. Complete paperwork legibly.
36. Review policy manual and understand the company code of conduct and policies.
37. Review and agree to comply with all laws, ethics, and core values of the company.
38. Reviews, Feedback and Personnel
39. Attend all quarterly review session for performance evaluation.
40. Accept coaching from service debriefing.
41. Accept coaching conferences with proper attitude.
42. Skill Development by Employee
43. Service Technician will commit to attending all company sponsored technical training.
44. Service Technician will personally develop himself based on the discussions.
45. Service Technician will achieve NATE certification.

Employee Signature: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ Date: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

Supervisor Signature: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ Date: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

Service Technician Role Descriptions

**Primary Purpose of Position:**

You will be responsible a complete customer experience, including 100% customer satisfaction, proper image, diagnosis of, and providing expedient solutions for customer problems. This role description and letter of expectations describe the details.

**Details of Accountability for a Technician:**

1. Company Core Values, Attitude and Teamwork – these are the foundation of what make the company a successful enterprise. All work revolves around the team’s ability to function well as a unit and within the company core values.
2. The technician needs to understand the core values.
3. Any employee needs to embrace the company core values and philosophies as a means of conducting their everyday business.
4. Customer Relationship Skills and Customer Experiences – these are the backbone of what we do as a company. The customer is our principal concern, and all profits flow from our ability to serve the employee well, so the employee may build relationships with the customer well.
5. The customer relationship is what a technician’s primary job is to create and foster by being courteous, using the perfect service call approach, and forming a lasting relationship around our company brand.
6. Customer happiness, and satisfaction are mandatory based on personal relationships with our customers and a technician will conduct themselves with the utmost professionalism at all times.
7. Cleanliness, neatness as a person and vehicle for image will be maintained based on the company policy.
8. Execute the Perfect Service Call each and every call – no exceptions.
9. Development of the customer evaluation cards and response cards from invoices.
10. Distribution of referral coupons on each call.
11. Distribution of promotions, door hangers and such as requested by management.
12. Distribution and explanation of the Service Kit – the folder, the invoice and the marketing materials including service agreements.
13. Education of customers about service agreements.
14. Use of Flat Rate materials – and care of manual.
15. Where appropriate based on company policy – create a customer lead for turnover.
16. Technical competency and Aptitude – a technician is most productive and valuable when they can execute the customer relationship skills and technical competency as well.
17. Accept 1st call dispatch and travel to 1st site from your location.
18. Completion of 1st time calls to 85% as the target.
19. Maintain task times in the service call.
20. Maintain training to attain NATE certification standards.
21. Attend all company sponsored technical training courses.
22. Attend any suggested vendor training for technical or product upgrades.
23. Truck care, maintenance and image – our vehicles represent our company brand to the outside world and we value our company brand. Brand equals trust so we will maintain a high standard of image when it comes to our fleet.
24. Trucks are to be kept clean inside and outside at all times, washed when necessary to maintain clean visual image.
25. The truck is to be kept up to maintenance standards based on company fleet policy to change oil, have service conducted.
26. Maintain your personal image – your uniforms, and your appearance in a manner consistent with our company policy, and the perfect service call.
27. Inventory Accountability – inventory represents a large cost of a service truck and even more important part of a well-operated service department and truck. Proper inventory allows for improved customer service and a technician’s ability to earn more income. We expect each technician to maintain the truck stock per the inventory replenishment system guidelines and for each technician to own accountability for 100% of the inventory on the truck.
28. Maintain the inventory replenishment system per the service policy.
29. Be accountable for the service inventory on your truck to 100% accuracy.
30. Be accountable for the service sales materials, service invoices, service manuals and all materials that are items listed as vehicle start-up items.
31. Participate in inventory counts as needed quarterly and any inspection requested.
32. Administrative tasks - paperwork completion, technology, and information for the company are essential to operate a well-run service department. The technician is expected to complete all paperwork as requested, with a proper attitude. The administration tasks such as inventory count sheets, service tickets, payroll tickets need to be timely, legibly and accurately completed.
33. Complete all service invoices properly and legibly per the perfect service call standards.
34. Understand how to use the Flat Rate manual, and all materials supporting the Flat Rate system to create invoices, service agreements, pricing properly, and supportive of the service department goals.
35. Complete the time ticket daily to track labor activity.
36. Complete the inventory count sheets and material requisitions to accurately track inventory usage and parts from the service vehicle.
37. Training and Skill Development- training is an important part of employee development. All areas of training are important to a technician that is well organized, technically capable and customer oriented. It is expected a technician will solicit training on their own beyond the company sponsored training.
38. Completion or satisfactory plan to complete NATE certification.
39. Completion of company training programs for technical competency.
40. To have a personal skill development plan as directed with the service manager to include math skills, problem solving, customer service, technical development, electricity, refrigeration cycle, heat pump operation, gas furnaces, air conditioning with alternative refrigerants (410A), and any other training program directed by the service management team.

Employee Signature: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ Date: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

Supervisor Signature: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ Date: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

Training Plan for Service Technician

* Company Core Values
* Monthly Company Meeting and financial training
* Daily Huddle
* Exceptional Customer Service
* Sales Process Training
* Technical Training Chart (Attached)
* Vendor product training based on service managers training plan

20XX Service Additional Incentive Program

Sale of a USA Agreement $ 20.00 per agreement

(Anyone who sells a USA) $ 20.00 for a multiple system sale

Renewal of a USA Agreement $10.00 per renewal

$ 10.00 for a multiple system

Creation of a lead that turns to a sale $125.00 per box

Box is defined as:

(A/C, Heat Pump, Furnace)

These are technician generated leads.

Sr. Selling Technicians 4-8% depending on Mix of Equipment

**The goal of the compensation program is to develop “Customers for Life.”**

**The service technician is the most important relationship in the development of “Customers for life.”**

**We know customers value your opinions, so give them the integrity and honesty we expect, and at the same time realize we do what is in the customer’s best interest.**

**A repair is not always in the best interest of the customer. At times a replacement unit is warranted. There should be no question when it is appropriate you deserve credit for creating the environment for a properly generated replacement lead.**

* **Integrity**
* **Accountability**
* **Honesty**
* **Communication**
* **Customer Focus – Customer WOW Experience**
* **Operational Excellence**

**The important core values are all Zero Tolerance components of this program. Follow your best judgment when recommending any repairs or leads and you will always have customers for life.**

**Gary**