State of Service 2023

A Global View into the Biggest Trends and
Challenges Facing Field Service Companies Today

IFS

Table of Contents

Executive Summary

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This executive summary highlights the compelling findings of a global survey on Field Service (FSM) Management trends and technologies commissioned by IFS late 2022. The survey was conducted among 400 CIOs, COOs, VPs and Directors of Operations, Field Service, Digital Transformation and Information Technology across Manufacturing, Service Provider, Telecommunications and Utility organizations in North America, Western Europe, the Middle East, and Asia Pacific.

The resulting State of Service 2023 Global Report delivers fresh insights into the current and future state of the industry, examining the importance of people, technology, and mindset, and how the proper orchestration of all these factors will determine whether you fail or succeed when it matters. Along with updates on long-standing trends, service organizations face many new challenges and opportunities as the industry continues to evolve at record speed.

As this is the third time that IFS has commissioned a global State of Service survey, we'll turn back time to discover how technologies, trends and mindsets have evolved since previous studies were executed in 2018 and early 2020–when the world was on the brink of unprecedented and massive change.

Having the right technology has never been more vital to success. This is especially true when it comes to how companies manage their service and maintenance operations. The moment that organizations interact with customers to provide service is when the true value of relationship is brought to life. Companies that can transition from being purely reactive or impersonal in their interactions, to engaging proactively and thoughtfully, will be the companies that win.

In an economy of scarce resources, rapidly rising costs, and a competitive labor market, modern service management tools can help companies serve customers more efficiently while also attracting talented employees. When asked to rank the top three pressures impacting their service organization today, 45% of the respondents chose the struggle to meet customer SLAs. While this was the most chosen top three concern, dealing with a lack of skilled workers and the high turnover of employees was the second most chosen top concern at 40%.

> "
> The acute pain that all service leaders are feeling is due to the reality that they can no longer throw more people at the problem. Working smarter by adopting the latest technology is now table stakes in our industry."

The need for multiple technician visits has always been the bane of service organizations. Current supply chain issues create situations where repeat calls are needed due to field engineers not having the right parts available. This has always been a fundamental concern and was the second biggest reason for multiple service visits cited in our 2018 State of Service survey. But our study this year found that technicians not having the necessary knowledge and skills to complete the job was by far the biggest concern, with 64% of respondents selecting it as their number one reason.

When considering their key areas of focus for the next year, service organizations most frequently selected sustainability as the top-ranked issue. While organizations in recent years have felt that sustainability is a commendable corporate objective, today there are more direct incentives for businesses to "go green". With supply chain issues contributing to higher costs of manufacturing, repair and reconditioning of parts and equipment is a way of maintaining capacity and eliminating the cost of scrapping and replacing expensive assets. As a result, reverse logistics solutions are increasingly becoming a desired component of modern FSM platforms. Our survey found that 54% of service organizations currently have reverse logistics capabilities and another 28% plan to implement them. Having tools that anticipate wear and breakage combined with digital processes to remedy issues in a timely way, not only helps companies control operational costs, it also keeps customers happy and employees productive.

Digital enablement is also a key focus in the near term. Updating legacy service management systems was the most chosen focus area among the top 5 rankings of ten categories. Growing organizations are often strapped with multiple systems for various departments. This is sometimes due to mergers and acquisitions, but it can also result from overall business growth getting ahead of proper technology infrastructure planning. This leads to inefficiency, unpleasant customer experiences, and an inability to share critical data enterprise-wide. Updating legacy FSM systems with cloud-ready and composable solutions enables companies to future-proof their technology stack and adopt new functionality quickly and easily. There was also a close association between updating legacy systems with a faster path to achieving common goals, such as enterprise-wide service transformation.

When asked about the key competitive differentiators in service, respondents were primarily focused on two related issues: Technology Superiority (29%) and Customer Experience (26%). What's interesting to note is that in our 2018 study, CX was the clear winner, followed closely by operational excellence and remote resolution. Only 11% of service leaders selected Technology Superiority as their biggest differentiator four years ago. This validates that in an increasingly digital world accelerated by the pandemic, and a competitive market characterized by disruption, not having the best technology means service organizations are at risk of becoming obsolete.

Understanding the critical role that technology now plays, we asked our respondents what service management tech they are planning to implement and what is on their wish list.

Several capabilities stood out as areas of short-term focus:

- **Remote assistance** powered by augmented/virtual/merged reality was on the top of the list, with 44% of organizations planning to implement and 21% having it on their wish list. With fewer than one quarter of organizations saying they currently have this capability, it is the primary focus to remain competitive.

- **Wearables** are also a significant part of future capabilities with 44% planning to implement and 17% having this on their wish list.

- **Knowledge Management** is also critical, especially in light of the influx and turnover of new workers, with 42% planning to implement and 18% having this on their wish list.

- **Simulations** (modeling of what-if scenarios on critical business metrics like headcount and profit if, say, a new outcomes-based service offering is developed, or a new territory entered) is a relatively new need with 41% planning to implement and 16% having this on their wish list.

- **Scheduling optimization and automation** also resonates with 40% planning to implement and 15% having this on their wish list.

- **Customer self-service** with appointment booking (which can positively impact the CX if tied to intelligent scheduling in the background), also topped our list with 36% planning to implement and 18% marking it on their wish list.
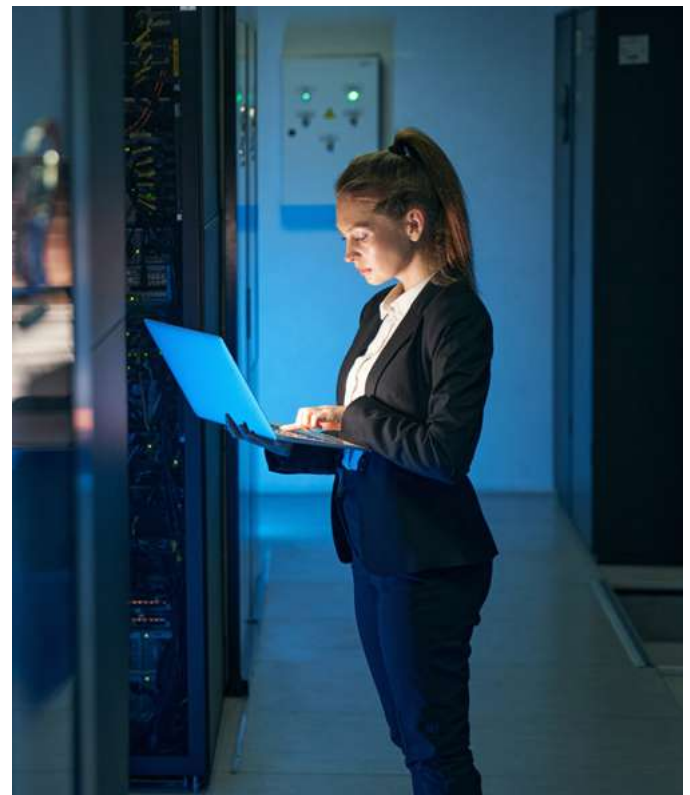
These most-wanted capabilities can all work cohesively to play critical roles in helping companies overcome their biggest challenges: the skilled labor gap and meeting customer contractual obligations. The top tech choices also show a growing desire to leverage emerging technologies, such as artificial intelligence and machine learning, digital twins, and IoT.

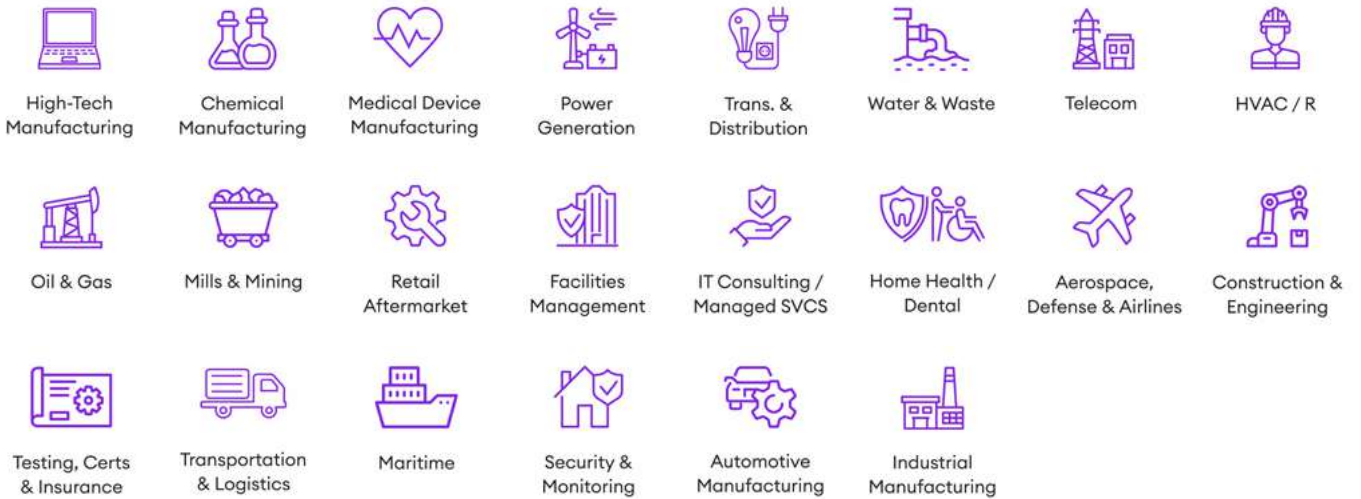By adopting advanced FSM solutions, service companies can take a more holistic approach to managing internal systems and data, attract and retain talented employees, augment the customer experience, and compete more effectively in an unpredictable environment.

I hope you find our research insightful and inspirational, and I look forward to the opportunity to discuss these trends with you at a service industry conference very soon.

Introduction

It's clear from our findings that service organizations have reached a tipping point. Under increasing pressure to remain competitive and profitable within the new digital order, companies must pivot quickly.

Industries Surveyed

High-Tech Manufacturing	Chemical Manufacturing	Medical Device Manufacturing	Power Generation
Trans. & Distribution	Water & Waste	Telecom	HVAC / R
Oil & Gas	Mills & Mining	Retail Aftermarket	Facilities Management
IT Consulting / Managed SVCS	Home Health / Dental	Aerospace, Defense & Airlines	Construction & Engineering
Testing, Certs & Insurance	Transportation & Logistics	Maritime	Security & Monitoring
Automotive Manufacturing	Industrial Manufacturing		

Countries Surveyed

Sweden, Norway, Denmark, Canada, United Kingdom, Germany, France, Switzerland, United States, Israel, China, Japan, Mexico, UAE, Taiwan, Saudi Arabia, Philippines, Colombia, Singapore, Malaysia, Brazil, South Africa, Australia, New Zealand
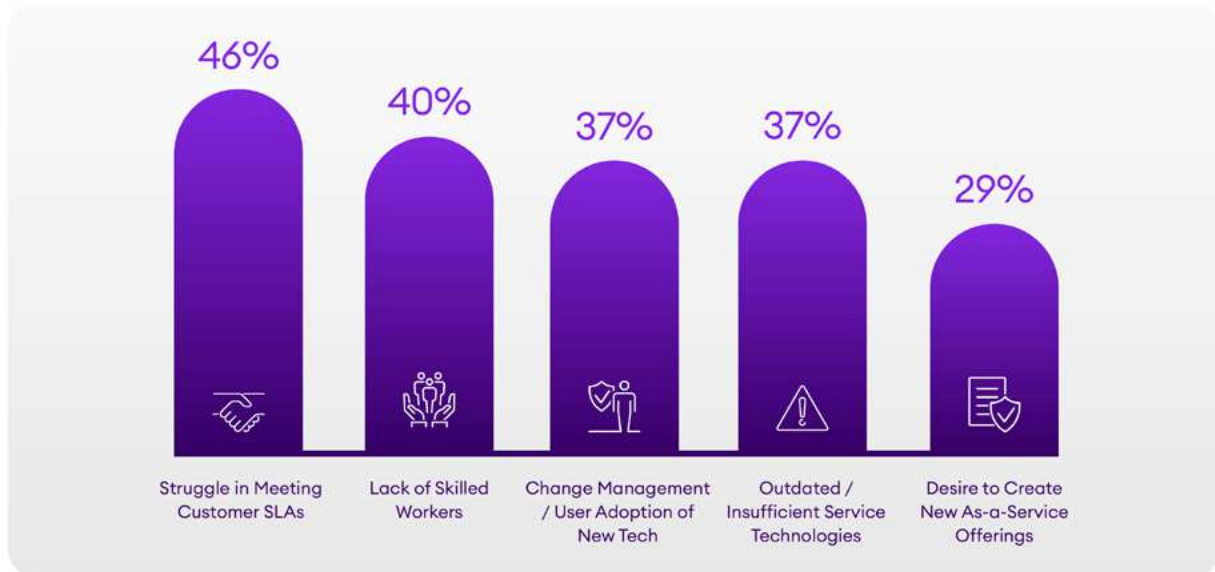
Deep Dive into the Data
An Intimate Look at Our Findings

Here are the top five issues impacting the service industry as a whole in 2023, as ranked by the leaders we surveyed. Where does your organization stand? How do you compare to your peers across industries and the globe? Let's dive into our survey results to find out.

Top Pressures Impacting Service Organizations Today

46%	40%	37%	37%	29%
Struggle in Meeting Customer SLAs	Lack of Skilled Workers	Change Management / User Adoption of New Tech	Outdated / Insufficient Service Technologies	Desire to Create New As-a-Service Offerings

Percentage of 400 respondents who selected a top challenge as ranking 1, 2 or 3

These top challenges are not all too surprising. The lack of skilled workers (which technically tied with Meeting Customer SLAs as the top challenge) is not a new phenomenon. Everyone knew this was coming 10 years ago, it's just worse than we all expected. In our 2018 State of Service survey, aging workers & technician turnover was only #6 on the top challenges list.

Today we have less new blood entering the workforce, further entrenching the old ways of doing things, which in turn impacts the adoption of new technologies. Without innovation both from the ground up and the top down, it's impossible to increase efficiencies to offset the lack of skilled labor. And so, the cycle continues.

It's worth noting that this lack of skilled workers is so pervasive that it spans industries and company sizes. Whether your company generates less than $500 million in annual revenue or over $5 billion, there's very little variance. It's also true across the globe. No matter which continent you're on, you simply don't have enough skilled workers to fill the job openings in service.

> "
> We have to find, employ, train and backfill thousands of people. Attrition rates are high in our industry. The markets have grown up and opened up. People stay in the job for a month, they pick up the skill, and then they move on. A junior guy becomes the senior engineer. A senior engineer becomes a leader. It's a constant challenge. I interview three to four people every day."
>
> - IT Director, Wholesale Distribution

Regardless of Size, Companies Rank Skills Shortage as #1

11%
13%

$200 - $500
MILLION

Over $5
BILLION

"

It is really a struggle to hire and retain people. And then you have a constant level of retraining employees that cycle through, so people must be retrained on the way the old employees have worked."

-Global IT Director, Industrial Manufacturing Company

Just as there is little variation between companies by drastically different levels of annual revenue struggling to fill skilled labor positions, the same is true for meeting customer SLAs. Even if your company can *afford* to adopt the latest service management technology, you still cannot meet your contractual obligations at the level you need to.

Change Management and User Adoption of New Technology ranking #3 is not surprising either. In our experience at IFS, the number one reason why technology projects fail is not because of the technology—it's because of change management. And here's why: moving from a process where there is manual management of resources to trusting an advanced FSM system is a huge mind-shift.

In terms of roadblocks to success, those have not altered much. Change management was listed as the #1 reason in our 2020 State of Service survey as to why companies couldn't move the needle on outcomes-based service. That leads us very naturally into our 5th top challenge from this year— the desire to create new as-a-service offerings.

Out of all the top challenges, we were most pleased to see this one ranking so high. You might think this challenge is predominantly coming from the manufacturing industry; yet out of the industries that ranked this #1, manufacturers only came in seventh.

❝

We have implemented a service management solution embedded with AI that is bringing 30% efficiencies as compared to our old conventional application. Yet we must strike a balance between efficiencies and the conventional application which is well accepted by employees. The workforce is rigid, doesn't want to change. That is where our biggest challenge is."
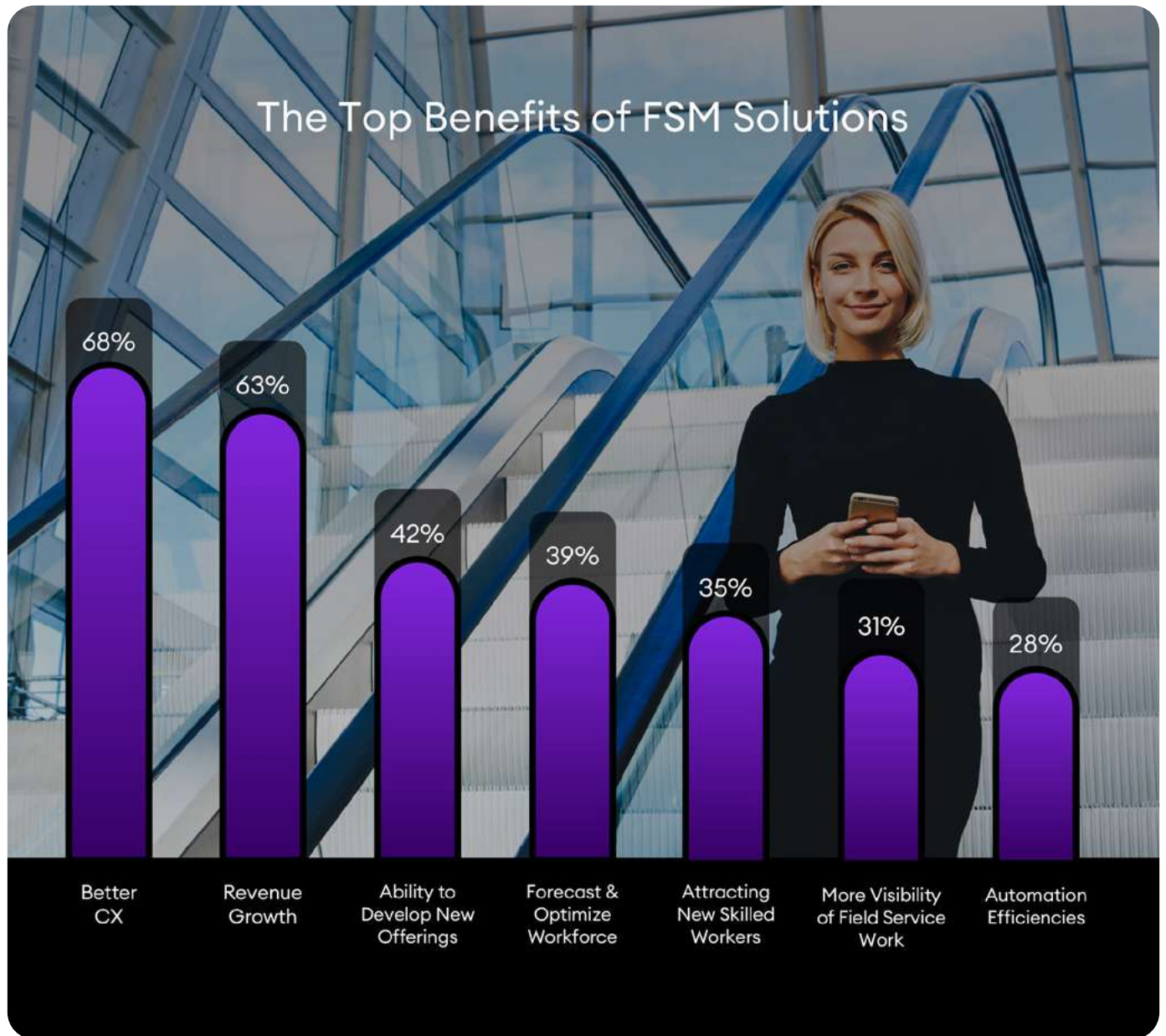
–Senior IT Manager, Lendlease

Industries Ranking Desire to Create As-a-Service Offerings as #1 Challenge

Industry	%
Aerospace and Defense / Airlines / Defense Contractors	20%
Transportation & Logistics	20%
HVAC/R or Mechanical Services	20%
Construction / Engineering Services / Shipbuilding & Maritime	19%
IT Consulting / Managed Services / Professional Services	13%
Telecommunications	11%
Manufacturing	9%
Retail Aftermarket Services	9%
Facilities Management / Property & Commercial Services	8%
Home Services / Home Security & Monitoring	6%
Energy Utilities & Recources	5%

Since service is becoming a profit powerhouse for companies, it makes sense that they want to develop and bring new service offerings to market.
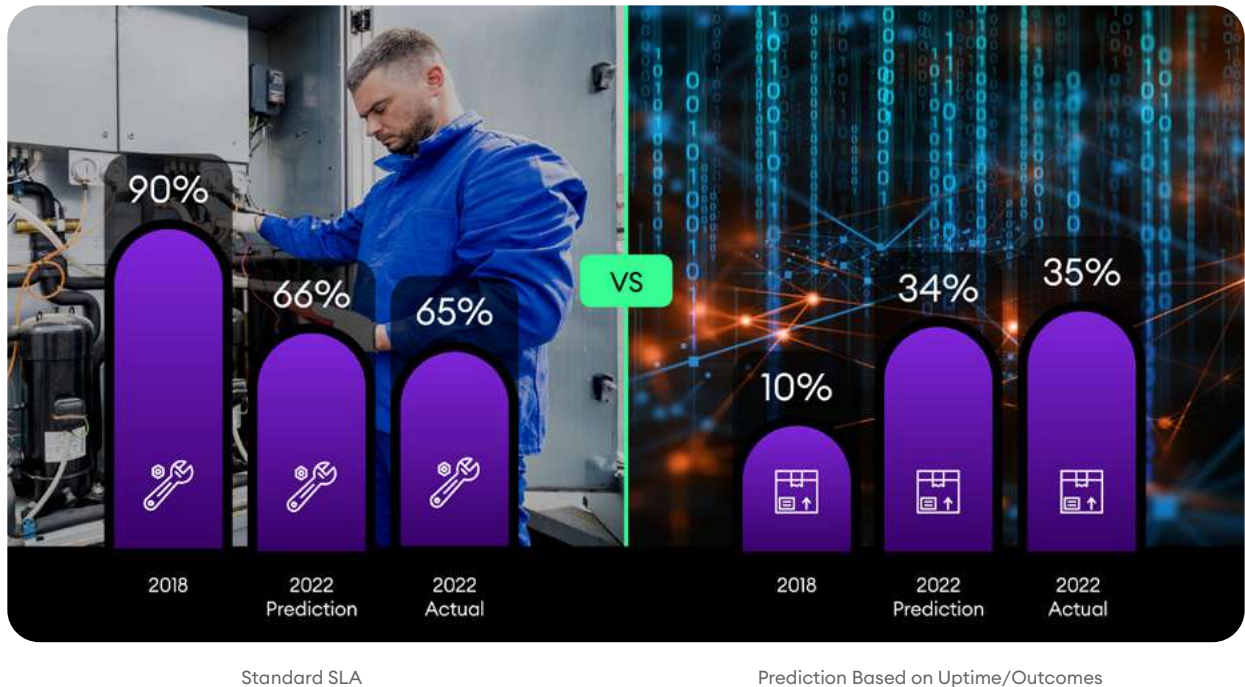
In fact, the ability for companies to use service as a revenue engine is substantiated by the #2 top benefit our respondents cited that they derive from their FSM solution, second only to the ability to deliver a better customer experience. The third top benefit is the ability to do exactly what they want: develop new service offerings.

The Top Benefits of FSM Solutions

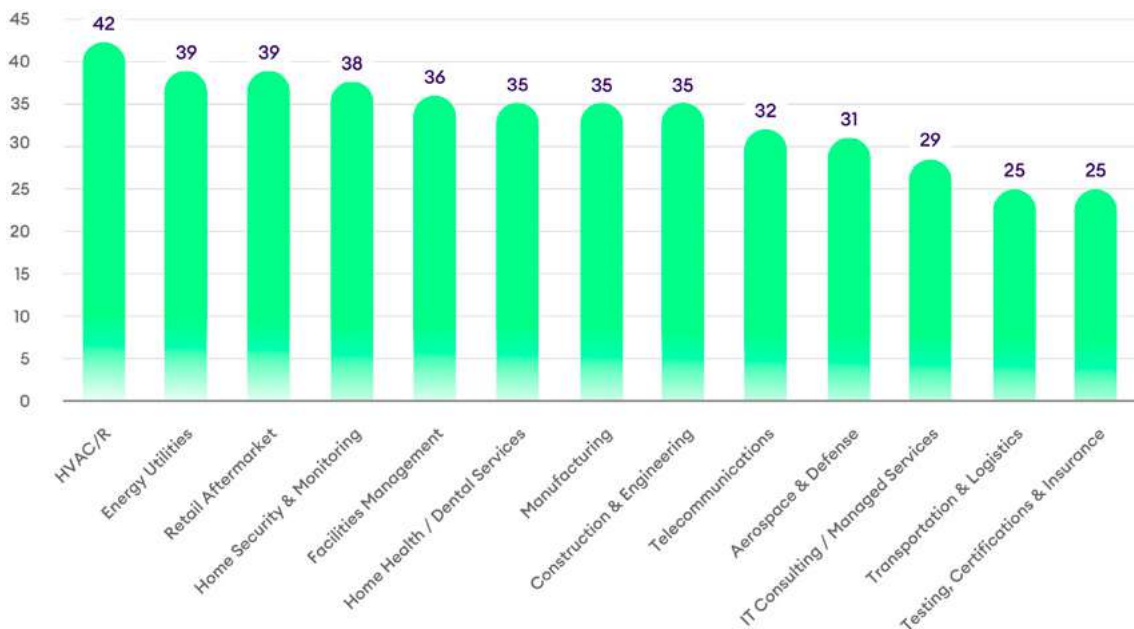| Benefit	Percentage
Better CX	68%
Revenue Growth	63%
Ability to Develop New Offerings	42%
Forecast & Optimize Workforce	39%
Attracting New Skilled Workers	35%
More Visibility of Field Service Work	31%
Automation Efficiencies	28%

Since creating new as-a-service offerings is a top initiative, let's see how contract structures have changed from our 2018 study.

It appears the crystal ball was working as our 2018 respondents accurately predicted that standard SLA contracts today would only be offered 66% of the time; and our respondents confirmed that 65% of their contracts are standard SLA and the remaining 35% are outcomes-based.

Contract Structures in 2018, Predicted and Actual Today

Standard SLA — 90% (2018), 66% (2022 Prediction), 65% (2022 Actual)

Prediction Based on Uptime/Outcomes — 10% (2018), 34% (2022 Prediction), 35% (2022 Actual)

When looking across industries, we found that the three sectors making the most progress evolving to outcomes-based service contracts were HVAC/R, Energy Utilities and Retail Aftermarket Services.

Industry	Value
HVAC/R	42
Energy Utilities	39
Retail Aftermarket	39
Home Security & Monitoring	38
Facilities Management	36
Home Health / Dental Services	35
Manufacturing	35
Construction & Engineering	35
Telecommunications	32
Aerospace & Defense	31
IT Consulting / Managed Services	29
Transportation & Logistics	25
Testing, Certifications & Insurance	25

The Top Future Focus Points of Service Companies

We asked our survey respondents, 'Over the next 12 months, which will be key areas of focus for your service business?' and got three very clear top initiatives.

Sustainability took the number one spot overall. Coming in a close second (when ranks one through three are added) is updating legacy service management systems; and the #3 spot is leveraging emerging technology, which we'll touch on momentarily when we reveal our top technology wish list.

Technology is an important enabler of change and is essential to creating a greener society. From reducing our own emissions to become carbon neutral by 2025 to enabling our customers to be more sustainable thanks to our AI-powered service management software, the greatest impact IFS can have as a business is by supporting the service industry's environmental, social and governance (ESG) goals.

The Top Future Focus Points

Sustainability	14%	11%	15%
Leveraging Emerging Technology	11%	12%	11%
Updating Legacy Service Management Tech Systems	11%	13%	14%
Increased Collaboration Across Our Enterprise	11%	10%	12%
New Service Offerings Development	11%	11%	6%
Workforce Management	11%	10%	10%
Service Parts Management Automation	9%	10%	7%
Developing A Chief Service Officer	8%	6%	9%
Cloud Infrastructure	8%	9%	8%
Big Data / Data Analytics	7%	9%	9%

While the circular economy has been an important initiative amongst manufacturers recently, we're pleased to see that service companies across the board are learning that sustainability can be a powerful competitive differentiator and something that customers are willing to pay a premium for. When we conducted our 2018 survey, sustainability was being driven primarily by regulators and legislators; but today it's being embraced proactively because it's an incredibly powerful sales tool.

We're happy to see IFS customers making strides with sustainability, including Electrolux–one of the world's largest appliance manufacturers. The company recently launched an innovative subscription model called Appliance-as-a-Service to promote the circular economy. It's a good program for Electrolux in terms of recurring revenue, it's great for the consumer and priceless for the planet.

In addition to our FSM software, we're proud to have launched a new Sustainability application that helps companies establish the carbon footprint of their organization, set up proper data collection for regulatory certifications, track consumables to keep materials in the supply chain longer, and re-engineer processes to focus on reducing waste.

Moving on in our list, the #2 top future focus point is updating legacy field service management (FSM) systems, which can be explained in a few ways:

- companies are evolving from homegrown, bespoke, or excel-based systems and moving into the digital age

- consolidation in the market has caused a vast array of companies to re-evaluate their service solution post-mergers because they need more scalability and more advanced functionality

"

We are building complete townships for Google in Mountain View, California. The new Google buildings are 70% energy efficient and use 90% less air conditioning. How is that all happening? It's because of the sustainability innovations we are embedding. Prestigious clients like that are happy to pay 10% more than our competition because they will be able to showcase the sustainability initiatives that have been embedded within their employee housing."

-Senior IT Manager, Lendlease

Service companies across industries are asking whether their existing technology can meet their needs in a digital world. In fact, the number one most important competitive differentiator for service companies today is technology superiority. This trend has changed significantly since our 2018 State of Service survey when it was ranked fourth.

Competitive Differentiator Factors
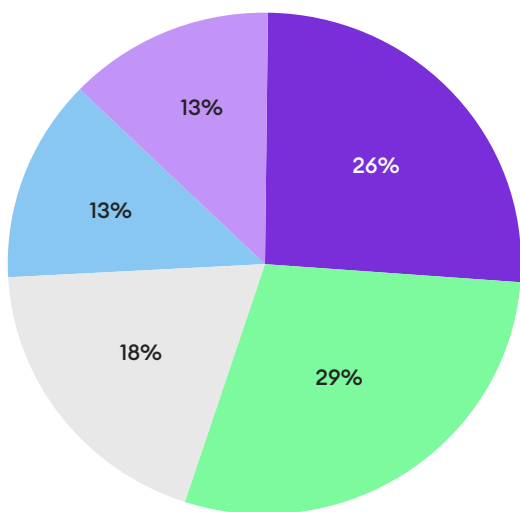
- 29% | Technology Superiority
- 26% | Customer Experience
- 18% | Operational Excellence
- 13% | Features of Serviceable Asset
- 13% | Ability to Resolve Issues Remotely

A company's technology is now a deciding factor for prospective customers.

Prior to COVID, technology could be somewhat invisible, operating only in the background. But today, it's become front and center for both B2C and B2B customers, forcing service companies to prioritize investments in digital tools.

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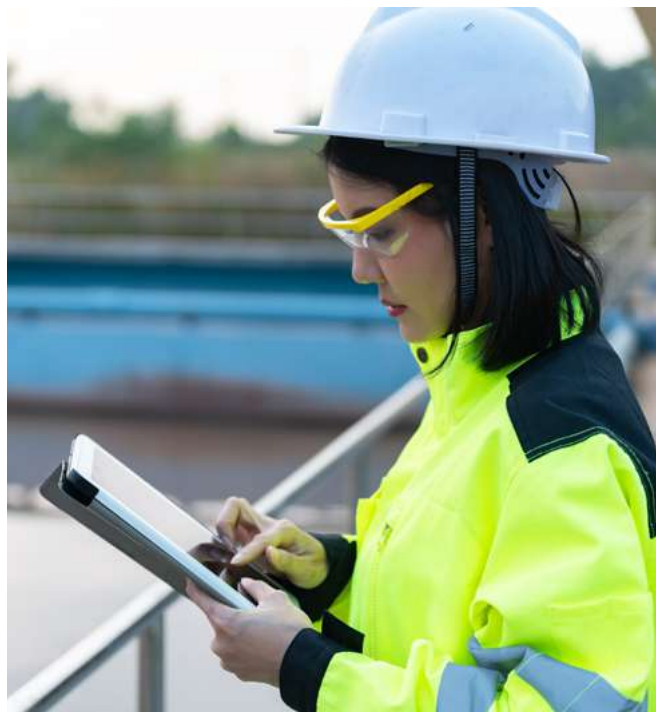
Our primary focus is on digitizing the front end for customers and providing more information so that they get a 360-degree view of their account status and can transact with us with as little friction as possible. In a service sense, we're making sure our team is guiding customers through the digital process, but we're also optimizing through automation fieldwork and other processes to complete those transactions quickly."
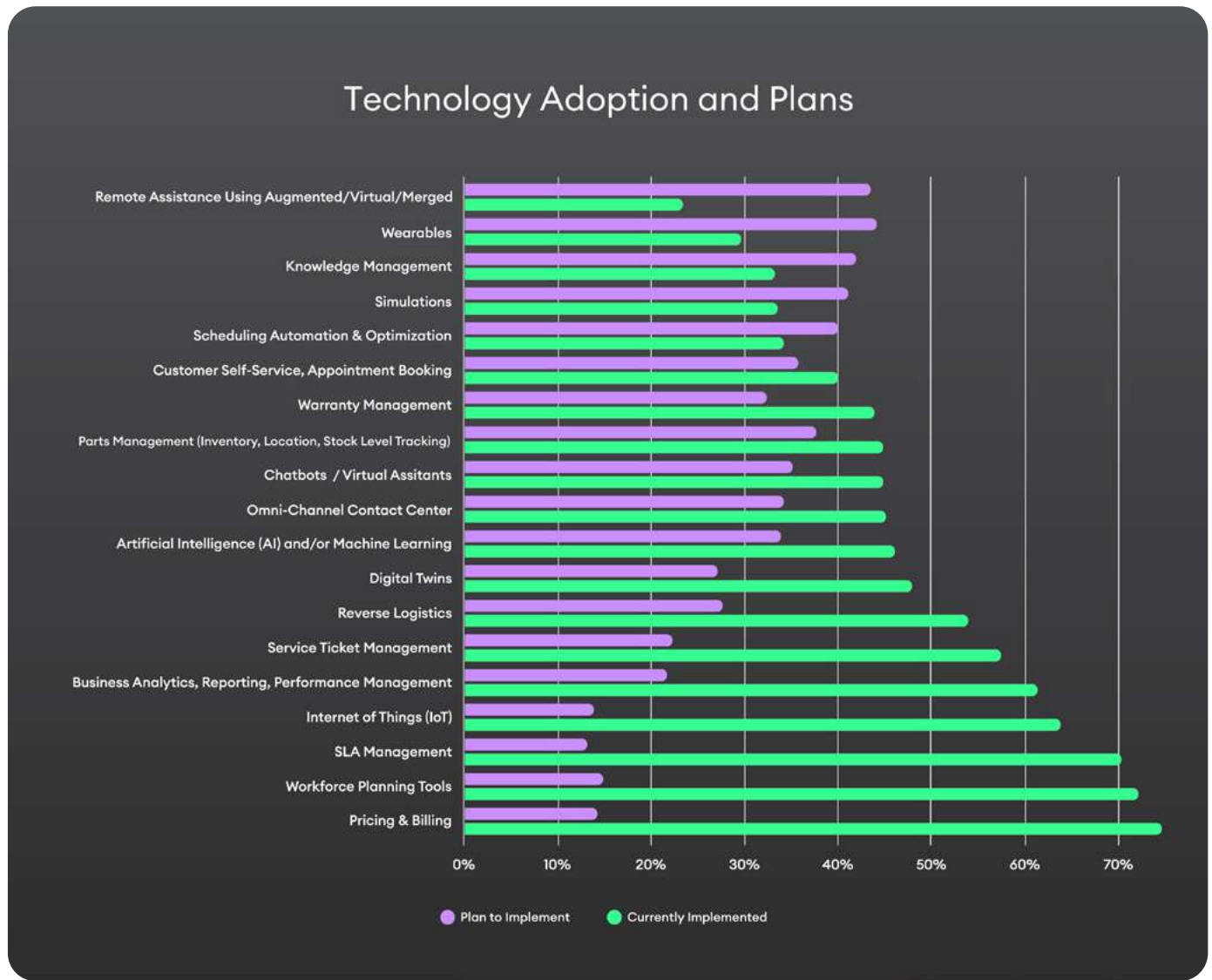
- Ian Robinson, CIO, WaterNSW

State of Service Management Technology

The Tech You Need Now, Next and on Your Wish List

When we asked service leaders, 'which technology capabilities do you plan to adopt?' we discovered that several capabilities are about to explode on the scene: reverse logistics, omnichannel contact center, parts and inventory management, chatbots, customer self-service, and warranty management.

The Wish List category which we'll reveal next is comprised of innovations and emerging technology including AI and machine learning, scheduling automation and optimization, simulations, wearables, and augmented reality.

Technology Adoption and Plans

Legend: ● Plan to Implement ● Currently Implemented

Categories (top to bottom):
- Remote Assistance Using Augmented/Virtual/Merged
- Wearables
- Knowledge Management
- Simulations
- Scheduling Automation & Optimization
- Customer Self-Service, Appointment Booking
- Warranty Management
- Parts Management (Inventory, Location, Stock Level Tracking)
- Chatbots / Virtual Assitants
- Omni-Channel Contact Center
- Artificial Intelligence (AI) and/or Machine Learning
- Digital Twins
- Reverse Logistics
- Service Ticket Management
- Business Analytics, Reporting, Performance Management
- Internet of Things (IoT)
- SLA Management
- Workforce Planning Tools
- Pricing & Billing

There are interesting insights in this list, especially when you learn how technology adoption has changed since our 2018 survey. First, we'll explore the state of adoption today:

- **Reverse Logistics** – This capability ranking so high correlates with sustainability and the circular economy being top-of-mind.

  Yet, are service organizations leveraging reverse logistics solutions that allow them to orchestrate the entire process, or are they simply allowing customers to return parts via an online portal and the rest is manual? If you want the ability to manage, track, and optimize this process with full-channel visibility across the service lifecycle, here are some elements of best-in-class solutions.

- **Warranty Management** – Warranties remain a centerpiece of service delivery in many environments and we're starting to see a plurality of organizations employing this capability.

- **Scheduling Automation** – The vast majority of service companies still have not implemented it–even though 40% are planning to–and often the reasoning behind this lack of adoption is they think that their people can do it better than the system. That is, until they learn that their employees on average are managing schedules 30% sub-optimally. Once they understand that, it comes down to change management.

- **Customer Self-Service and Appointment Booking** – These capabilities are where you'd expect them to be considering the move towards digital models.

  The question here is, are you using intelligent self-service tools or are you simply allowing customers to choose their preferred slot? Is there scheduling optimization that sits behind your self-service technology, so that only appointment slots that financially make sense for your business are shown to customers? If not, you're setting yourself up for failure.

- **Knowledge Management** – This can be used hand-and-hand with other top capabilities like remote assistance. You can also tie knowledge management to self-service and apply it to customers, to help them perform self-diagnosis or resolution, and your technicians, many of whom are new.


Next, we'll reveal the biggest changes in service management technology adoption since 2018:

- **Artificial Intelligence (AI)** implemented more than doubled, from 22% to 46%

- **Reverse Logistics** implemented more than doubled, from 25% to 54%

- **Chatbots** implemented almost quadrupled, from 11% to 44%

Now, let's uncover what tops service companies' wish list today. The top 5 from our findings are:

- Remote Assistance (21%)

- Knowledge Management (18%)

- Customer Self-Service (18%)

- Warranty Management (17%)

- Wearables (17%)

Technology Wish List
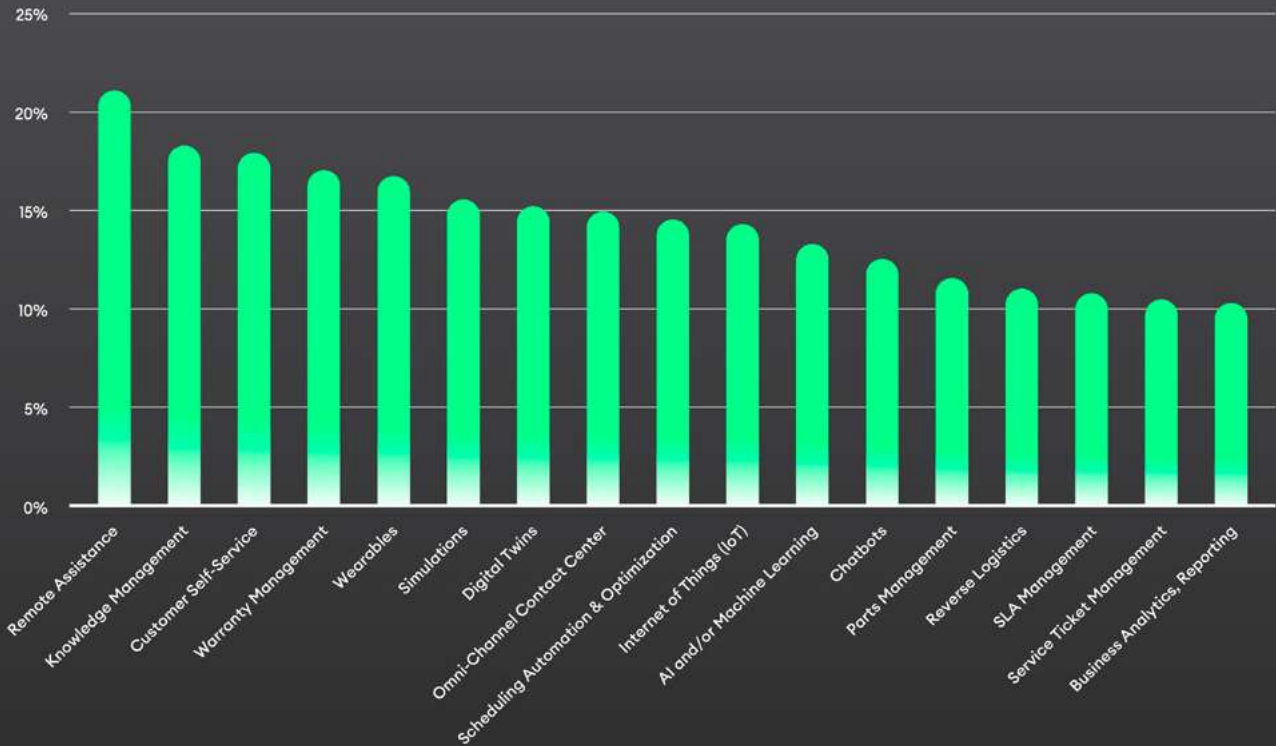
These rankings provide insight, but putting them into the context of service organizations across industries and across the globe delivers a deeper understanding as to how these technologies will deliver value in real-world settings.

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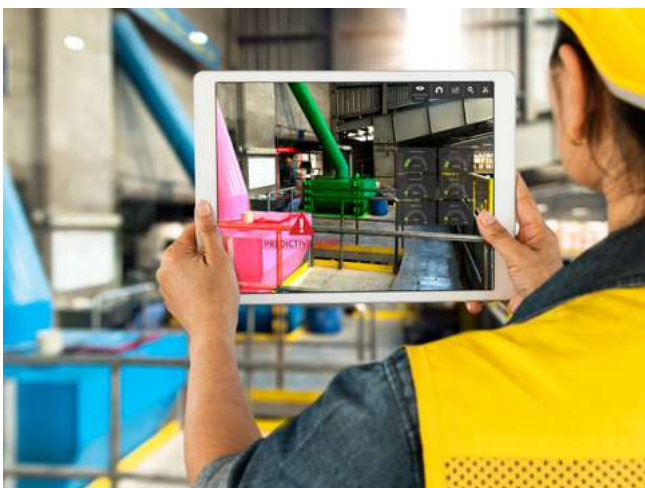
The promise of virtual reality is significant in this space because it avoids the need for the field worker to have to look something up; instead, the data is presented to him in the context of the work he's doing. So, if you look at a pump and the virtual reality glasses know what asset it is and can present information intuitively to the engineer, then that can be done through his eyes rather than by looking up something on an iPad."

- **Ian Robinson, CIO, WaterNSW**

Overcoming the Biggest Challenges in Service Delivery

What You Need to Succeed

In this section, we'll share how the most innovative service companies are overcoming top challenges. Reflecting on the industry's biggest challenges – skills shortage and inability to meet customer SLAs – one thing is clear:

> "
>
> It's beyond time to get your technology systems in order to compensate for the lack of being able to use additional resources as a quick fix. You now have to work smarter.

– Mark Brewer, VP Service Industries, IFS

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Workforce planning and scheduling optimization has two-fold benefits: 1) it makes working with a constrained workforce more effective, and 2) it takes complex SLAs, ones as stringent as 2-hour windows to resolve an issue, and makes it possible to deliver on those expectations.

A powerful scheduling optimization engine can be transformational, helping organizations overcome three out of the industry's top five challenges:

- Lack of skilled workers

- Struggle to meet customer SLA's

- Desire to create new as-a-service offerings

AI-powered scheduling optimization also provides significant sustainability benefits. With IFS planning and scheduling optimization for example, companies can reduce technician travel time between 35% – 50%, which significantly reduces their carbon footprint. In fact, a recent IFS scheduling optimization customer is saving 1 million technician miles driven per day. While the benefits can be great, this also brings a word of caution. Investing in FSM vendors with half-baked scheduling optimization systems can set you behind.

Here are a few ways that IFS stands out:

- IFS' engine can schedule 500,000 activities in a single hour. Unlike other solutions that must break your workforce down into territories, making for poor use of technicians and costing extra hours, miles and fuel.

- IFS links capacity and appointment booking to scheduling optimization, ensuring higher tech utilization rates and increased customer satisfaction.

- Continuous, true real-time optimization works around the clock, so you don't have to rely on heavy optimization at night and 'task insert' during the day of service.

- Higher first-time fix rates by optimizing parts and inventory alongside techs.

- Machine learning improves accuracy of job durations, planning, and

scheduling and self-learns how long each technician takes to perform various activities, matching the best tech to each job.

- Balances appointments with reactive and preventative work, ranking appointment slots based on 'cost to perform' and weighting their value according to your business priorities.

Change management is just as big of a concern today as it was four years ago. How do you overcome organizational inertia? Implementing software that contours to the needs of your business means that change management becomes an organic extension. You also need a partner that understands the key to successful implementations. A unique model at IFS for new technology rollouts is crawl, walk, run. That's how our scheduling optimization implementations work: from manual planning to assisted planning to semi-automated to fully dynamic scheduling.

Additionally, if you don't adopt tools that accelerate the speed of onboarding for new workers, you will fail to meet customer expectations. Some of the top-ranking technologies from our survey all help expedite new worker training: remote assistance, knowledge management and self-service.

With skills shortage ranking as the number one challenge for service companies, how are you preparing to hire and train talented people? Many companies are upskilling internal employees while creating long-term strategies of partnering with universities.

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We have a three to five-year HR transformation plan focused on skill development in a number of areas: cybersecurity, big data, artificial intelligence, machine learning, digitalization and the move to cloud. We have decided it's easier to upskill internal people so, for example, we retrained some network engineers to learn cloud. Our internal training offers remote, online and live courses around the clock. We have also partnered with different universities to develop a one-year program. It's a long, complex journey but it's a key part of our company transformation. You cannot just transform technologically if you haven't created this kind of HR program."

–IT Director, Orange

How else can you improve the all-important CX in the face of labor shortages? As one Global IT Director of an industrial manufacturer explains:

> 66
>
> We use communications with customers that do not require a live voice or a personalized visit. Those methods could be email, text or a self-service method as an initial response. We are managing increasing customer expectations for better experiences by adopting technology that will allow us to communicate consistently and effectively before and after service. It is not only keeping customers informed, but also following up after to ensure that the service met a certain level."

Today's customers want immediate responses, they want to book their own service appointments, and they want to be heard. To capitalize on your biggest competitive differentiator, look for a platform that delivers customer self-service tools. The IFS Appointment Assistant solution for instance provides real-time updates to customers on their service visit, including expected time of arrival and appointment details, along with an AI-powered chatbot that provides instant answers. Plus, it allows you to display marketing messages that upsell other products or services and a survey feature to capture their feedback.

How else do you prepare your service business for future success? It's a highly desirable capability but difficult to implement without the right technology partner.

One way is by making informed decisions about different scenarios that you're likely to encounter, such as a change in headcount or expansion into a new territory. This is when simulating your organization's reactions using an intelligent forecasting tool is critical. In fact, 34% of service companies have already implemented simulations and another 41% plan to. In other words, only one-third of companies have managed to do it but almost half want to.

With the IFS what-if scenario explorer (WISE), you can enter any situation with the backing of a highly accurate prediction of the consequence of your actions. A real-world example of how a tool like this can be applied speaks to the desire to develop and monetize new service offerings. WISE can help you create your initial as-a-service propositions, make fact-based decisions on how to monetize them and then our FSM platform itself allows you to bill customers based on usage or consumption.

Lastly, there's lots of buzz around emerging technology like AI, machine learning and digital twins, but you need a technology vendor that can help you contextualize all these innovations into industry-specific use cases. The true value a vendor can deliver is by designing purpose-driven software to help businesses tackle their biggest challenges, starting with the basics before moving onto bigger initiatives like sustainability. Once you master the basics, you can evolve to more aspirational objectives on the horizon, such as unifying data across business units and competing effectively in a digital marketplace.
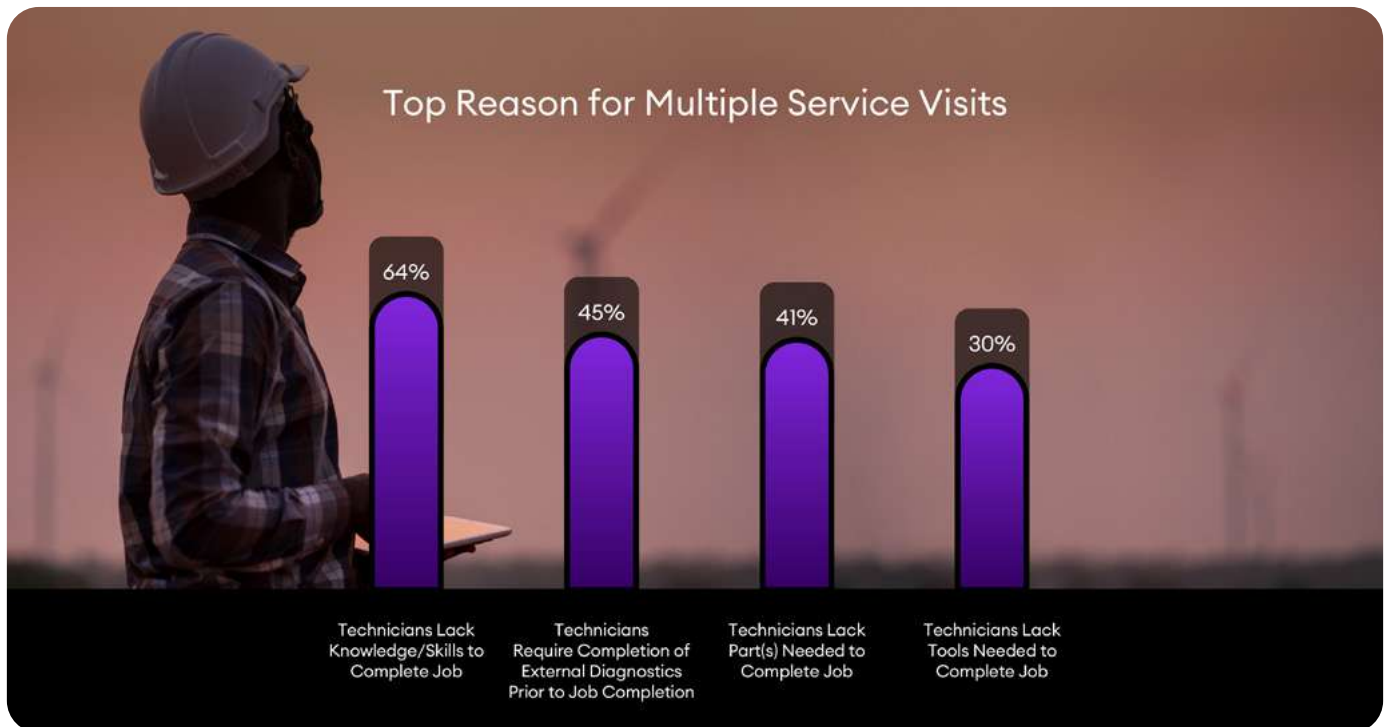
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The conversation among service leaders has shifted to, how do we empower our frontline? It's less about how we control them, and more about how we empower them. How do we equip them to give the customer experience and the brand perception that we want? As we embark on our quest to provide the ultimate customer experience, sometimes we overlook the importance of the employee side."

- Sarah Nicastro, Creator & Editor-in-Chief, Future of Field Service

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Top Reason for Multiple Service Visits

64%	45%	41%	30%
Technicians Lack Knowledge/Skills to Complete Job	Technicians Require Completion of External Diagnostics Prior to Job Completion	Technicians Lack Part(s) Needed to Complete Job	Technicians Lack Tools Needed to Complete Job

Key Takeaways
How to Prepare for What Lies Ahead

When we asked our 400 leaders from around the world how they envisioned their service business evolving in the next 5 to 10 years, we heard a few key trends. Based on our findings, we believe that the future of the service industry can be summed up as such: **disruption, innovation, automation, and transformation.**

> "
> I see our business using a much more automated model. I see the technology allowing us to not only predict customer problems but perhaps solve them before they become issues. I envision less dependency on staff and more dependency on automation."
>
> -Global IT Director, Manufacturer

> "
> The climate change will be significant and will affect our food supply and our ability to meet the demands of the Australian population. In the next five years, we will need to develop new water sources and innovative ways of optimizing the water that's available today."
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> -Ian Robinson, CIO, WaterNSW

> "
> One of our main drivers for transformation is the huge competition in the market that is going to disrupt us. We must be as agile as possible, move faster in product development and time to market. Thanks to 5G, edge computing, IoT and fiber, we can provide advanced, immersive content and features. Yet we are lacking synergies. To embrace these opportunities, we must break down silos in a transverse way. We must work like a start-up."
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> -IT Director, Orange

> "When you are on the innovation edge, no existing technology is enough. We take the challenger's approach. We challenge the technology, and we also accept the challenge that we see on our horizon. If we must change the technology to deliver that new feature, that new solution, we do not shy away."
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> —Senior IT Manager, Lendlease

About IFS

IFS develops and delivers enterprise software for companies around the world who manufacture and distribute goods, build and maintain assets, and manage service-focused operations. Within our single platform, our industry specific products are innately connected to a single data model and use embedded digital innovation so that our customers can be their best when it really matters to their customers—at the Moment of Service™.

The industry expertise of our people and of our growing ecosystem, together with a commitment to deliver value at every single step, has made IFS a recognized leader and the most recommended supplier in our sector. Our team of 4,500 employees every day live our values of agility, trustworthiness and collaboration in how we support our 10,000+ customers.

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