

MPS Provider Best Practices: Break/Fix Service



The Managed Print Services Association

The Managed Print Services Association (MPSA)

The mission of the MPSA™ and its members is to address and optimize businesses' office document management while enhancing the growth, efficiency, and profitability of the MPS segment through advocacy, marketing, education, research, standards, and a general community of interest. In order to reach these objectives, the MPSA provides community-driven best practices—like those contained in this document—to empower its members to make more informed decisions regarding their MPS strategies.

Earlier this year, the MPSA redefined Managed Print Services (MPS).

“Managed print services is the active management and optimization of business processes related to documents and information including input and output devices.”

– MPSA (Managed Print Services Association < <http://www.yourmps.org> >)

Background

Providing break/fix service is an important profit driver for an MPS provider but is also a risk factor in that break/fix service is an area that exposes your customer to the greatest potential for dissatisfaction. Often, MPS providers do not fully understand or account for all of the costs associated with the management of break/fix service, resulting in erosion of profitability.

Intent

Through collaboration with the numerous subject matter experts participating in the MPSA Standards and Best Practices Committee and those outside the organization, the MPSA has compiled a set of best practices. This document will offer MPS practitioners a set of written guidelines to help promote overall profitability while enhancing value for customers. As part of a broader body of knowledge, this specific set of best practices will center on break/fix service. This document is intended to help an MPS provider's leadership and operational management teams choose the best business model for designing, managing, and improving its break/fix service delivery. These best practices are inclusive of a well-run MPS business and should be applied broadly. However, each MPS provider must determine which of these best practices apply to their specific situation. Ultimately, the success of an MPS program will rely heavily upon the application of these considerations from initial scope to execution—throughout the entire lifecycle. As with all information, an MPS provider must determine the goals and objectives to be achieved and solved with the implementation of these best practices.

Focus and Scope

While the scope of this document includes best practices for break/fix service in MPS engagements, the best practices and business model options presented here focus on cost and customer experience impact. In order to deliver an effective break/fix service offering, MPS providers need to ensure that they have an industry-standard measurement. We propose benchmarking any offering against Information Technology Infrastructure Library (ITIL) or Specific, Measurable, Aligned/ Achievable, Relevant, Time Bound (SMART) standards to provide the best service in the most affordable manner.

It is also imperative that an overarching core focus of a provider's break/fix delivery arm is being customer centric, with the goal to achieve the highest customer satisfaction at all times. This approach ensures that end users feel well serviced, and clients will be more willing to extend their contract with a service provider who understands their needs and delivers the appropriate service. In turn, the higher renewal rate bodes well for extended profitability for the organization, as the MPS provider is retaining clients and not suffering any revenue loss.

Notably, in the current age of MPS, break/fix has evolved from a simple reaction-based delivery mechanism to a pro-active support offering through the use of software on the network, which allows service providers to remotely monitor their clients' fleet and receive device alerts to learn of potential issues well in advance of the user. Supplemented with monthly meetings to report the events attended and the Service Level Agreement (SLA) achieved, future risk mitigation can be raised and implemented to achieve continued stability of the client's fleet on the network.

Due to the evolving nature of MPS, software that is embedded on the device and can potentially cause errors and issues that need to be supported is another key element that has been drawn into the break/fix requirement of the service provider.

Figure 1 displays a grid of the seven high-level break/fix service areas discussed in this best practices document. For each area, the table lists the three common business models for break/fix services. The MPS provider

- 1) has their own technicians;
- 2) utilizes and manages third-party technicians; or
- 3) buys an all-inclusive page that includes break/fix services from a servicing agent.

An MPS provider may utilize one or a combination of these methods to deliver break/fix service. Each column has a profit or customer experience box, which will be checked from the perspective of the provider if the topic is applicable per the business model.

Each of the seven high-level areas includes sections for best practices and impact on profitability and customer experience based on which business model is utilized. This document further defines three phases for some areas: service transition (implementation), service operations (facilitation/maintenance), and continuous services improvement (optimization).

Figure 1: Break/Fix Model and Component Impact

Offering Components	Provider's Service	Provider Managed 3 rd Party	Inclusive Wholesale Page
<i>Service Level Agreement (SLA)</i>			
1. Flexibility	●	●	●
2. Scalability	●	●	●
<i>Technology</i>			
1. Collection	●	●	●
2. Reporting and Processing	●	●	●
3. Customer portal	●	●	●
4. Technician portal	●	●	●
<i>Technicians</i>			
1. Criteria and Sourcing	●	●	●
2. Geo Coverage	●	●	●
3. Certifications	●	●	●
4. Ongoing Training	●	●	●
5. Technician Benchmarks, Reporting and Review Process	●	●	●
6. Incentive Program	●	●	●
7. Technician Resources	●	●	●
<i>Parts</i>			
1. Distribution/Availability	●	●	●
2. Warehousing	●	●	●
<i>Service Desk</i>			
1. Communication method	●	●	●
2. Dispatch	●	●	●

Contract Management			
1. Invoicing	●	●	●
2. Profitability	●	●	●
Customer Satisfaction	●	●	●
Key (In order of Importance)	1 ●	2 ●	3 ●

Best Practices: Break/Fix Service Offering

Impact

A break/fix service offering is one of the most basic and fundamental building blocks of an MPS solution. Providers should define their solution and how it will be delivered. Offerings may cover areas like billing models, products covered, Service Level Agreements (SLAs), and software solutions. MPS providers may start with a very defined and limited offering or have several options for their customers.

Considerations

A break-fix service offering will vary because of billing model factors, such as Cost per Image (CPI), time and materials (T&M), user based, monthly by model, and length of agreement, and each component should be aligned with how the program will be administered. There are three different break/fix models for MPS providers to consider.

- MPS provider uses its own service and support staff;
- MPS provider selects and manages a third-party servicing agent; or
- MPS provider contracts with a servicing agent for an all-inclusive wholesale service experience.

Provider's Own Service/Managed Third-Party

Billing model factors are very important to profit and customer experience. For example, exposure to profit on a billing model would be a risk if offering CPI or user-based billing. Impact to cash flow could also be a consideration if the dealer, valued added reseller (VAR), or IT service provider bills these charges in arrears because of up-front costs. If the MPS provider bills monthly or annually, this would be less of a factor, as billing would usually be done in advance. The MPS provider would have risks in each of these models because they are all-inclusive billing models. T&M billing offers the least exposure, as the provider bills actual expenses plus a mark-up amount. However this model offers the least value to the client and is far less profitable for the provider.

Wholesale Page/Solution

This approach offers the least impact to profit exposure for the MPS provider because they have a set price and are not impacted by additional costs. Although this arrangement is more predictable and safe, the provider could have the potential to make more of a profit if the process is self-managed. In addition, the customer expectation for greater value-added services is increased to justify not going direct with the contracted break/fix provider.

Customer experience is an exposure in the wholesale page/solution model. The provider will need to place tight checks and balances in the process and how it might impact their customer. Ultimately, the partner engaging the client is solely responsible for the service delivery and upholding the relationship, even though the MPS provider has contracted the service.

There are a number of different service levels the MPS provider can offer. Some levels have industry expectations, like A3/11x17-sized multifunction devices (MFDs) with a same-day or 4-hour response. These levels have a direct impact on staffing, reporting, and, in some cases, penalties. A more appropriate SLA to have in place for these product types might be a 4-hour fix for major metropolitan installations and Next Business Day (NBD) for outlying areas.

Note that on average, most organizations have four times the number of A4/letter-sized single-function devices (printers) for every A3/11x17-sized MFD, so taking over the service of A4/letter-sized printers can have an even greater impact on service personal. The problem revolves around offering 4-hour service response when standard business practice for servicing A4/letter-sized printers is NBD. If the end user customer requires service performance on A4/letter-sized printers comparable to that of A3/11x17-sized devices, the provider should consider a premium service offering that would take into consideration the impact and cost to the organization.

Service Level Agreement

<i>Service Level Agreement (SLA)</i>	Provider's Service	Provider Managed 3 rd Party	Inclusive Wholesale Page
1. Flexibility	●	●	●
2. Scalability	●	●	●

Definition

An SLA is a document describing the level of service expected by the client from the servicing organization and is often part of an encompassing service contract. The SLA defines various metrics, agreed upon benchmarks, and the remedies or penalties, if any, should the service provider not achieve the agreed upon levels. SLAs are agreements between the service provider and end user or service provider and customer, in the case of an outsourced or wholesale inclusive model, and should be written in clear, easy-to-understand language that ensures a thorough understanding by both parties of the required service.

By their very nature, SLAs define what is being offered and how it will be measured. For example, A3/11x17-sized devices will receive onsite service within four business hours in major metropolitan centers and all A4/letter-sized single-function devices will receive next business day service. Note that SLAs do not define how the service is provided or delivered.

Considerations

Depending on the size of the companies involved, there are several potential SLA levels.

- A corporate-level SLA that covers all the generic service level management (SLM) issues appropriate to every customer throughout the MPS provider's organization;
- a customer-level SLA that covers all SLM issues relevant to the particular customer, regardless of the services being used; and
- a service-level SLA that covers all SLM issues relevant to the specific services in relation to this particular customer group.

Simply put, the larger the client, the more likely that SLAs will need to be defined at multiple levels.

SLAs are, by their nature, "output" based—the result of the service received by the customer is the subject of the agreement. A service provider can demonstrate its value by organizing itself with ingenuity, capability, and knowledge to deliver the service required, perhaps in an innovative way. SLAs can be as unique as each client or engagement demands, but it is in the general best interest of each organization to understand their strengths and then define their standard SLAs accordingly. Changes to standard SLAs can provide an opportunity to establish different pricing based on what prospective clients want.

Though the exact metrics for each SLA vary depending on the service provider, the areas covered are uniform: volume and/or quality of work (including precision and accuracy); speed; responsiveness; and efficiency. As a result, the SLA document aims to establish a mutual understanding of services, prioritized areas, responsibilities, guarantees, and warranties provided by the service provider.

SLAs can contain numerous metrics and are typically negotiable. Despite the temptation to control as many factors as possible, avoid choosing an excessive number of metrics. Instead, make certain to choose meaningful metrics. Although standard metrics can be easy to measure and report, you will need to ensure that each metric speaks to the individual client's needs.

MPS contracts typically contain the following SLAs.

- Time-based service response, such as 4-hour onsite, NBD, 8am – 5pm;
- the nature of response based on specific criteria like geographic locations and site/location/department importance;
- uptime or availability of devices;
- the schedule and type of reporting, such as weekly usage by department, monthly utilization, and quarterly business reviews; and
- service desk metrics, including average speed to answer (average time for a call to be answered by the service desk), first call resolution (percentage of incoming calls resolved without need for callback), remote fix (percentage of service issues resolved without dispatching a resource onsite), and time to restore (amount of time needed to get issues resolved on those devices not restored on the first call).

As mentioned, SLAs are agreements, whether contractual or informal, between the MPS provider and the end user organization or customer. These SLAs can be supported by contracts with third-party providers. Complex engagements can require even the largest of providers to work with and through partner organizations to fulfill. Ultimately, the responsibility for success or failure to meet SLAs rests solely with the MPS provider’s organization, no matter the contract held with partners.

To ensure that SLAs are consistently met, these agreements are often designed with specific lines of demarcation, and the parties involved are required to meet regularly to create an open forum for communication. Contract enforcement (rewards and penalties) should be rigidly enforced, but most SLAs also leave room for annual visitation so that it is possible to make changes to the agreement based on new information.

The SLA is a critical part of any supplier agreement and will pay off in the long term if the SLA is properly thought-out and enabled at the beginning of a relationship. The agreement protects both parties, helps to avoid misunderstandings and, should disputes arise, specifies remedies—which can save considerable time and money for all parties.

Technology

Definition

In order for customers to experience maximum “up-time” for the business machines in their imaging fleet, the dealer, value added reseller (VAR), or servicing agent needs reliable status information reported by the machine in real time. When the servicing agent must rely on notification from the customer when machines malfunction, service to the device and fleet will be delayed. A number of elements influence a device being available for the business to use.

- Consumables supply (toner, drum and paper);
- preventative maintenance (fusers, transfer belts, scanning image rollers, etc.);
- network availability (is the device physically powered on, is there active communication, what is the firmware version); and
- physical damage (paper jam, fuser failure, etc.).

An effective MPS service provider must be fully aware of the entire fleet status at any point in time to pro-actively react to an issue, potentially before the end user is even aware of an issue.

Business machines require regularly scheduled preventative maintenance to minimize “down time.” Over time, maintenance parts reach their “end-of-life” and need to be replaced. In addition, as machines print, copy, fax or scan, components can fail prematurely. Machines can also jam as parts or components fail or when non-conforming supplies are used. Finally, OEM vendors provide regular firmware revisions with patches that rectify physical failures or even network communication issues that may be caused by the implementation of an operating system or application upgrade.

Considerations

In order to effectively manage any MPS fleet, the service provider must implement and make full use of a software package that enables the provider to conduct their service offering on a proactive or predictive basis. Service level detail is dependent on device connection and reporting capability, and certain devices report more service detail than others. For example, devices on the network

report more information than those connected to workstations via USB cable, and devices connected to workstations via USB cable may not report service level detail. It is the responsibility of the service provider to know the capability of the devices they intend to support.

The client enters into an MPS contract to outsource the support of their document output/input fleet so they can concentrate on conducting their own business. An MPS provider must offer a service that empowers their client to be more profitable. Having continuous access to an operational infrastructure allows the client’s staff (salaries being the largest line item on most income statements) to achieve more in a working day by having continuous access to an operational infrastructure, which in turn empowers them to work smarter. Fleet monitoring technology allows a service provider to offer such a service. A multitude of offerings are on the market, however, the optimal solution will best suit the service provided and deliver the necessary data to make informed and empowered decisions. Additional elements include the following.

- Just-in-time (JIT) consumable supply alerting;
- load balancing information; and
- repeated error infringement reporting.

<i>Technology</i>	Provider's Service	Provider Managed 3 rd Party	Inclusive Wholesale Page
1. Collection	●	●	●

Data collection software (DCS) or a data collection agent (DCA) should be used to gather device status information from copiers, MFPs, printers, and network-connected scanners. The DCS should provide data to an administrative component for managing and processing the gathered information.

Service Transition (Implementation)

DCS is installed on a networked workstation or server to gather device status detail.

Service Operations (Facilitation/Maintenance)

DSC is configured to scan for device status changes and set at pre-designated maintenance kit thresholds for pages remaining at regular intervals. Alert notifications of service or part needs are directed to the servicer when maintenance is required.

Continuous Services Improvement (Optimization)

The business machine dealership, VAR, and/or servicing agent should have access to the information gathered by the DCS.

An administrator should monitor installations of the DCS to ensure devices are reporting. A Service Fulfillment Standard Operating Procedure (SOP) should be developed to outline specific steps for installing and maintaining DCS operation.

- In instances where the DCS stops checking in with the service or does not report, an action plan should be implemented to discover why and return the DCS to operational status.
- When an installation returns information about a device that stops reporting, an action plan should be implemented to discover why and return the device to operational status.
- If the device has been taken out of service and replaced by another, the non-reporting device should be annotated within the administrator console and removed from management.

<i>Technology</i>	Provider's Service	Provider Managed 3 rd Party	Inclusive Wholesale Page
2. Reporting and Processing	●	●	●

Service Transition (Implementation)

The DCS installed on networked workstations or servers at customer locations gathers and sends device status detail to the service provider in one of 2 ways.

1. A shared access inbox at a dealer’s office; or
2. an API integration into the dealer’s helpdesk system for the automation of incident logging and task assignment.

Help desk, customer support, service managers, and/or dispatchers have access to incoming information in the collection software’s administrator component.

Service Operations (Facilitation/Maintenance)

The DCS detects and sends the alert condition to the servicing party when a device triggers a service alert condition.

1. The servicing agent receives the alert, and the print management software auto-generates a service fulfillment notification or work order.
2. The servicing agent enters actions to be taken into the administrator component for tracking purposes
3. The servicing agent arranges for dispatch of a technician.
4. Service is performed before the machine stops working.

The service provider can enable additional alert reporting to auto-generate at regular intervals to summarize incoming alert activity and remedial actions taken. Reporting can be used by account managers during quarterly/biannual/annual reviews to make equipment recommendations.

Continuous Services Improvement (Optimization)

The service SOP should define all steps involved in the reporting and service fulfillment process.

<i>Technology</i>	Provider’s Service	Provider Managed 3 rd Party	Inclusive Wholesale Page
3. Customer portal	●	●	●

Service Transition (Implementation)

Desktop utilities and/or ePortals should be made available to credentialed individuals permitting device review.

Service Operations (Facilitation/Maintenance)

End-users can access utilities to review current equipment conditions.

Continuous Services Improvement (Optimization)

Remedial actions taken should be entered by the servicing agent so information can be included in the alert log for each managed device in the end-user fleet. The alert log should include the device status (as of last meter reporting) and be displayed in a customer accessible portal.

<i>Technology</i>	Provider’s Service	Provider Managed 3 rd Party	Inclusive Wholesale Page
4. Technician portal	●	●	●

Service Transition (Implementation)

Similar to the customer portal, status information gathered by the DCS should be available to field technicians via a credentialed web interface on Internet-enabled handheld devices (mobile phones, tablets, etc.). Access to the technician portal should be granted to the individuals responsible for field service fulfillment.

Service Operations (Facilitation/Maintenance)

Supply staff and technicians can use the portal to set up service cars for the day’s service calls to ensure the proper parts are in inventory. While standing at the car and preparing to enter the service call, technicians can use the portal to gather and verify the service and parts needed. Upon completion of the call, service notes can be entered into the technician portal, permitting an office administrator to submit billing information and/or close the call.

Continuous Services Improvement (Optimization)

The service SOP should define all processes involved in the use of the technician portal utility.

Technicians

Definition

Technicians are the human component of the technical expertise needed to solve equipment’s electronic or mechanical issues. They are important to quality and cost variables for delivering break/fix service. Technicians triaging or responding to repair equipment that are not properly trained, professionally presentable, and capable of communicating with end users will likely affect the customer experience adversely and increase costs due to multiple visits or improper parts determination. Many best practices exist for technicians to use when responding to break/fix incidents, and the MPS provider needs to be aware of each to ensure a positive outcome.

Whether the MPS provider chooses to use its own internal technicians or contract via third party, the technicians represent the brand and services offered. It is important to put processes in place to ensure these individuals represent the provider’s company as professionally and competently as possible. Delivering a good impression to customers while providing break/fix services is crucial to a positive outcome.

Costs are also impacted by the quality of the technician, which is why the provider should ensure that they have the proper best practices in place to benchmark, measure, and track how technicians impact costs. Balancing technician coverage across geography and product types will also impact cost and quality.

Considerations

When determining technician staffing, the service provider must evaluate a number of considerations.

- Criteria and source of finding quality technicians;
- geographic coverage;
- certifications;
- ongoing training;
- technician benchmarks, reporting, and review process;
- incentive program; and
- technician resources.

Benefits

Establishing best practices around the technician aspect of break/fix is crucial to a cost-effective and positive customer experience. The MPS provider will then reap a number of benefits.

- Improved customer satisfaction;
- cost control to maintain service profitability;
- less time to manage break/fix instances; and
- positive differentiation from competitive solutions.

<i>Technicians</i>	Provider’s Service	Provider Managed 3 rd Party	Inclusive Wholesale Page
1. Criteria and Sourcing	●	●	●

Service Transition (Implementation)

It is important to establish the criteria that represents a good technician. Create a job description that spells out the specifics of the skills, certifications, and traits, and specify a salary range that satisfactorily represents the compensation needed to ensure a quality person with the needed skills. During the interviewing and selection process, ensure that the candidate has the proper attitude and communication skills to represent the provider’s organization as required. Technical resources are often hard to find through traditional staffing sites and methods. The provider may have to research and utilize different resources for sourcing.

Service Operations (Facilitation/Maintenance)

It will be important to continually train and measure technician performance to help ensure that the provider meets its goals for quality and cost of service delivery.

Continuous Services Improvement (Optimization)

Benchmarking, reporting, and conducting reviews on a regular basis allows the MPS provider to continually improve the technician’s capabilities and delivery and help gain the best possible outcome for customer experience and cost effectiveness.

<i>Technicians</i>	Provider’s Service	Provider Managed 3 rd Party	Inclusive Wholesale Page
2. Geographic Coverage	●	●	●

Service Transition (Implementation)

Properly ensuring the appropriate number of technicians needed in the geography and segmenting by type of product to meet SLA’s is essential. If the MPS provider utilizes its own workforce, it is also important to avoid overstaffing to control costs.

Service Operations (Facilitation/Maintenance)

Proper technician coverage for the fleet will require continuous adjustment as contracts will be coming off and on regularly. It will be important to set technician benchmarks for number of calls or pages per technician and then regularly measure that metric against covered devices.

Continuous Services Improvement (Optimization)

As benchmarks are tracked, MPS providers will need to evaluate how well technicians are performing on SLA’s compared to costs. These types of measurements will help define optimum technician coverage.

<i>Technicians</i>	Provider’s Service	Provider Managed 3 rd Party	Inclusive Wholesale Page
3. Certifications	●	●	●

Service Transition (Implementation)

It is important to ensure that technicians have the proper certifications to deliver the technical expertise for the type and specific manufacturer/model of equipment. This is an important pre-requisite to ensure that each individual has the competence to properly resolve service issues.

Service Operations (Facilitation/Maintenance)

Tracking existing certifications and refreshers/renewals or new certifications for each technician should be an ongoing process to help plan continued training.

Continuous Services Improvement (Optimization)

Tracking and reviewing certifications and training with technicians are a must. Paying or incenting technicians for this training is recommended. MPS providers can readily justify the cost with improved customer satisfaction and fewer cost impacts to SLA agreements.

<i>Technicians</i>	Provider's Service	Provider Managed 3 rd Party	Inclusive Wholesale Page
4. Ongoing Training	●	●	●

Service Transition (Implementation)

Technicians should have their own training plan, based on the manufacturers, models, segments, and technology for which they are responsible. The plan should include the type of training and timeframe/intervals.

Service Operations (Facilitation/Maintenance)

MPS providers should track the training and any resulting certifications per technician.

Continuous Services Improvement (Optimization)

Reviews and incentive plans should be used to ensure that training plans and goals are achieved. Benchmarking and ranking technicians are also effective ways to motivate achievement.

<i>Technicians</i>	Provider's Service	Provider Managed 3 rd Party	Inclusive Wholesale Page
5. Technician Benchmarks, Reporting, and Review Process	●	●	●

Service Transition (Implementation)

Establishing starting benchmarks for each technician in areas like certifications, number of calls/pages covered, first time fix success, and customer satisfaction rankings are crucial to promoting growth and improvement.

Service Operations (Facilitation/Maintenance)

Monthly or quarterly reviews of how technicians are doing against expectations and in relation to other technicians are crucial to the individual's growth and development.

Continuous Services Improvement (Optimization)

Benchmarks and reviews should be tweaked periodically to be sure the provider is driving the technician toward proper goals and outcomes. Adjusting incentive plans will also assist in achieving desired results.

<i>Technicians</i>	Provider's Service	Provider Managed 3 rd Party	Inclusive Wholesale Page
6. Incentive Program	●	●	●

Service Transition (Implementation)

MPS providers might consider establishing incentive plans to drive the desired results. Incentives should be based on customer satisfaction and cost measures. For example, you can award a bonus if the technician achieves the customer satisfaction benchmark or number of daily calls.

Service Operations (Facilitation/Maintenance)

These bonuses should be reviewed with technicians monthly or quarterly. During this process, the MPS provider should make sure the technician understands why these benchmarks are important and ask for the technician’s feedback on what other means might be available to achieve the desired goals.

Continuous Services Improvement (Optimization)

The results of these incentive plans should be tracked and measured during specific time periods and adjusted when needed to ensure that the desired results are achieved.

<i>Technicians</i>	Provider’s Service	Provider Managed 3 rd Party	Inclusive Wholesale Page
7. Technician Resources	●	●	●

Service Transition (Implementation)

It is important to ensure that the needed resources are in place so that technicians have the tools they need to solve service issues as quickly and easily as possible. Examples of needed resources include device call history, service manuals, a knowledgebase, and the ability to call the service desk for advice from senior technical resources.

Service Operations (Facilitation/Maintenance)

The MPS provider should build training and processes around these resources to ensure the technicians are familiar with them. As manufacturers or models change, the MPS provider should make regular updates to these resources.

Continuous Services Improvement (Optimization)

The MPS provider should continuously measure the resource impact to results. It may be necessary to adjust formats for these resources based on technician feedback or utilization.

Parts

<i>Parts</i>	Provider’s Service	Provider Managed 3 rd Party	Inclusive Wholesale Page
1. Distribution/Availability	●	●	●
2. Warehousing	●	●	●

Definition

Parts are one of the biggest cost factors when delivering break/fix service. The provider needs to be aware of many important aspects around parts for break/fix incidents for best practices.

Due to the impact parts have on costs in providing break/fix service, the MPS provider must have reporting and measurements; ensure proper accountability for warehouse, truck, and customer inventories; and have a rotating policy to stay within warranty and maintain proper stock levels. If possible, manage to a just-in-time (JIT) process to help control costs. Information is always key to making the most appropriate decisions regarding what parts to stock to ensure a strong SLA with the client and deal with problematic devices and continuous failure mitigation.

Proper parts determination is also an area that needs to be reported and measured. There is a cost to improper diagnosis or “throwing parts” at service incidents. MPS providers will want to incent and train help-desk and in-field technicians on proper parts determination and ensure that they are properly certified on all models in order to diagnose the problems effectively. Thorough root cause analysis is also fundamental to managing parts costs, as using multiple parts per incident does not necessarily mean that both parts were required. For example, did the technician remove the first part and reinstall the original part to assess if the second part resolved the problem in its entirety? This practice is commonly referred to as the parts per serial number metric.

Considerations

Parts access is crucial to having the right parts at the right time. Consider picking one primary and several secondary suppliers. Weigh a range of factors to negotiate the best overall relationship.

- Parts availability;
- vendor management;
- complete costs, including parts, freight, and returns;
- warranty process;
- variable parts hubs;
- parts determination;
- inventory management;
- internal training and incentives;
- core management;
- quality of parts;
- engineer certification;
- software to collect device service status/history; and
- general ease of doing business.

Benefits

Establishing the proper system for managing the spare parts aspect of break/fix is crucial to a cost-effective process and positive customer experience.

- Minimized business impacts of service failures;
- improved customer service perception and satisfaction;
- controlled costs to maintain service profitability;
- improved management infrastructure and control;
- availability of data to support informed decisions; and
- preventative maintenance cycles to turn a reactive SLA call into a pro-active maintenance call.

Note that with industry-average color volumes declining, cost recovery for color toner installed in MFDs may take up to two years. For best practices, do not send a backup color toner set with the original install, set the toner-low threshold for notification at 20% remaining, and ship toner as required. An intelligent method of determining supply needs based on actual device usage—prints per day, coverage, supply yields—is ideal.

Service Desk

<i>Service desk</i>	Provider's Service	Provider Managed 3 rd Party	Inclusive Wholesale Page
1. Communication method	●	●	●
2. Dispatch	●	●	●

Definition

The service desk is a single point of contact (SPOC) for end-users who need help. Without this function, an organization would waste time and therefore profitability looking for ways to fix issues and get help.

The service desk acts as the central point of contact between service providers and users or technicians on a daily basis. It is a focal point for reporting incidents and making service requests. The service desk can also provide an interface for other service

management activities, such as change, problem, configuration, release and continuity management. Service desks need to ensure that their services are clearly defined and aligned with business needs.

A service desk seeks to facilitate the integration of business processes into the print management solution. In addition to actively monitoring and owning incidents and user questions and providing the communications channel for the user community, a service desk provides an interface for other activities such as customer change requests and third-party services (e.g. maintenance contracts) and extends some level of support to any software solution included as part of the overall MPS offering.

Considerations

When deciding whether or not to outsource service desk capabilities, there are a great number of considerations. This document will focus on what is needed to provide an in-house service desk, however, an MPS provider can also use these points to help rate an outside service provider's service desk offering.

- Personnel – to staff service desk (set-up and ongoing)
 - Staffing resources
 - Skill sets
- Accommodation – physical location (set-up and ongoing)
- Software – tools (set-up and ongoing)
- Hardware – infrastructure (set-up)
- Education – training (set-up and ongoing)
- Procedures – i.e. external consultants (set-up)

Depending on the size of the companies involved, there are several potential service desk types.

- Call center for call dispatching only, no other activities done;
- unskilled service desk for call dispatching, incident tracking, feedback mechanism to clients;
- skilled service desk where a large number of incidents are solved at the service desk; and
- expert service desk that incorporates incident management and problem management and solves most incidents.

As an organization moves down the list of potential service desk types to create, a higher level of desk comes with a higher cost and organizational commitment. In addition, each of the considerations listed above becomes more important. There are several essentials for introducing and maintaining a successful service desk.

- Understanding business needs;
- learning customer requirements;
- investing in training for customers, support teams, and service desk staff;
- defining clear service objectives, goals, and deliverables;
- setting practical, agreed upon, and regularly reviewed service levels; and
- confirming that the business accepts the benefits.

Understanding these needs and objectives will help the MPS provider set initial target effectiveness metrics, which should also be used to help decide which toolset(s) to use. Guidelines for setting metrics include several factors.

- Set measurable metrics
 - Can this metric be easily measured?
 - How does this metric help reach or maintain a business need?
 - How does this metric enable our client to measure our performance versus their requirements?
- Establish baselines
 - Formal SLAs with customers will start with baselines such as time to answer 20/80 (20 seconds/80% of the time) and answer rate 80%

Benefits

Although the choice to implement an in-house service desk can seem daunting, there are a fair number of benefits any organization can realize if done properly.

- Reduced business impacts of service failures;
- improved customer service perception and satisfaction;
- increased accessibility through a single point of contact, communication, and information;
- better-quality and quicker turnaround of customer requests;
- improved teamwork and communication;
- enhanced focus and a proactive approach to service provision;
- reduced negative business impact;
- better managed infrastructure and control;
- improved usage of IT support resources and increased productivity of business personnel; and
- more meaningful management information to support decisions.

Contract Management

<i>Contract Management</i>	Provider's Service	Provider Managed 3 rd Party	Inclusive Wholesale Page
1. Invoicing	●	●	●
2. Profitability	●	●	●

Definition

All MPS customers should enter into an MPS contract that remains valid until its termination. The signed contract has detailed terms and conditions between the customer and the MPS provider that protects each organization and clarifies responsibilities and expectations for both parties. In addition to pricing, the contract includes all services in the offering.

MPS includes many components to keep printing devices working as expected, consuming supplies, and reporting the pages printed for billing purposes. Each component is managed separately. Customers should review the contract, understand the conditions, and agree with all terms before signing.

A detailed, clear, and professionally written document is necessary to manage changes in the way printers are used and could affect profitability. The contract terms and conditions should help partners solve issues with their customers.

Partners should manage the contract to ensure profitability and avoid negative impacts due to changes in the customer's activities. Customers typically have different expectations, and therefore, each agreement must be customized. These expectations change over time, and the variations should be included in the contract. It is very important to document any change and adjust pricing as necessary to protect profit and customer satisfaction with the MPS solution offered.

Key Components in the Contract

For the purposes of this white paper, the focus will be on the break/fix services aspects of the contract.

- The end user or customer should ensure remote management software (RMS) is operational at all times.
- Customers should provide access to reinstall the data collection agent (DCA) if it stops reporting for any reason.
- Customers with in-house helpdesk support should be provided portal access to the RMS, which will assist with ongoing fleet management.
- Vendors should provide a single point of contact to assist customers and, where possible, a CSR (customer support representative) non-sales related support person to dedicate time to ensure billing accuracy, account maintenance, DCA reporting, Quarterly Business Review (QBR) reporting, SLA attainment, consumable management, etc.

- Vendors should explore advanced fleet management tools that provide comprehensive integration of device and user data mapped on the end users' floor plans. The selected toolset should deliver all of the necessary data such as service and consumable alerts for the device at the exact location to assist in the identification and resolution of day-to-day device issues.

Like with all other services, the MPS contract is a legal document to be enforced as necessary. The printing environment changes over time, forcing partners to adjust the fleet to meet the client expectations. The existing contract should drive agreement on how to implement these changes.

A number of critical components should be included in the contract (additional services may be added to meet the client's specific needs as well).

- Scope for a detailed description of services included;
- pricing for all services;
- device models in the current fleet that are to be included (models not listed are excluded);
- start and end date;
- renewals;
- early termination fees;
- software installation requirements;
- break/fix terms, such as SLA, reactive, proactive, help desk services;
- service escalation, including fixed for a term and % of escalation after agreed upon term;
- supplies type (OEM/remanufactured), response (reactive/proactive) recycling, onsite inventory;
- optimized out consumables and/or devices due to high cost;
- reporting like RMS, fleet performance, under and over utilization, QBR;
- T&Cs for high changes in print volume and non-reporting devices;
- print coverage specifications;
- scanning (cost is typically not included in CPP);
- pricing for professional services;
- lease terms, if applicable, as an addendum; and
- changes in volume generation for the client environment and associated pricing/device matrix.

The end user must adhere to the technology used by partners to ensure the expected total cost of ownership (TCO) and device performance are met. This will also help ensure customer satisfaction and contract renewals and opens the opportunity for offering other services such as solutions for security, mobility, and sustainability.

REVENUE/COSTS:

MPS revenue is controlled by consistent capture of accurate meter reads. Therefore, when considering break/fix service revenue, the contract should include several standard components.

- Continual review of actual profitability based on assumed calls—parts usage, labor expenses, management—versus the actual costs around those calls.
- Verbiage around costly device replacement and certain customer satisfaction guidelines.
- An escalator clause to allow the dealer to increase pricing on an annual basis to a certain percentage to allow for necessary increases in supply costs.
- Formal notification methods, individuals for escalations, and remedy of potential breach scenarios to cover both parties.
- Pricing adjustments due to volume increases or decreases.
- A clause to manage rate of exchange volatility if in a country where this is a factor for imported goods.

Key Component for Break/Fix Service in Managing the Contract

When managing to ongoing break/fix aspects in the MPS contract, it is necessary to have certain components in the QBR.

- Regularly scheduled meetings with the customer;
- review of customer expectations;
- review of previous period SLA metrics;
- remedy or risk mitigation plan to manage potential SLA failures; and
- proposed device replacements based on cost or customer satisfaction factors.

All changes should be included in the contract as addendums with the correct price adjustments.

Customer Satisfaction

Impact

Customers will return high satisfaction remarks when break/fix service is performed in a timely and effective manner during a single service call. In order to achieve this goal, service providers should know what parts may be needed and have them on the service car before arriving at the customer's service location. Quality data collection software or a data collection agent should be used to gather device status information from copiers, MFPs, printers, and network connected scanners that can return information needed by the servicing agent. There are several elements required by the servicing agent that would affect the customer's service experience.

- Service error codes reported by the machine;
- service error codes detected by the collection software;
- consumable error reporting detected by the collection software;
- repeated paper jams detected by the collection software;
- alert details provided by the collection software;
- part numbers of service parts needed by the machine;
- consumable supplies (toner, drum(s), paper, staples, etc.);
- preventative maintenance parts (fusers, transfer belts, scanning image rollers, etc.);
- remote call assistance to get the client up and running faster without having to send an engineer; and
- software and applications.

Note that paper and/or staples and other user consumables are often NOT include in service and or support contracts. Providers should be sure to write contracts specific to their offering.

Technicians also need to ensure client satisfaction by working holistically, ensuring any client software and apps running on the devices are also functioning before closing calls. If the client's devices are left in a state where end users cannot print, for example, the technician resets the device and wipes accounting software, this could infuriate the client, even as technicians may say they have "done their bit."

For the servicing agent to provide the most effective break/fix service, devices should have up-to-date firmware, the latest drivers, a network connection, and SNMP enabled so device status detail may be gathered and sent to the servicing agent's help desk or dispatch center.

Expectations are also key to client satisfaction, as break/fix can have a much larger reactive proportion than supplies replacement. MPS providers should educate clients that a significant proportion of break/fix issues cannot be managed proactively, like image quality or noise, so the end user may always need to be involved.

Many MPS customers are skeptical of the cost benefits, and with so many variations of what MPS means and how it is delivered, many clients end up disappointed. Therefore understanding the customer requirements and delivering against them is critical to a long term relationship.

In an MPS engagement, the service provider needs to balance sufficient levels of client satisfaction and maximizing profits. It is therefore important to ensure that the software used enables as much proactive service as possible while minimizing the client's

involvement in the process. This can involve educating end users who may create duplicate consumable orders when proactive supplies alerts already have things covered.

Some customer behaviors can also impact service delivery and should be discussed with the client.

- DCS or DCA down due to the client changing server settings;
- devices down due to network changes or issues;
- repeated paper jams within a certain timeframe due to poor paper quality; and
- other client misuse of devices, such as sitting on a scanner.

Even if contract terms and notifications to the clients form part of a robust MPS service, client satisfaction will still suffer when their devices cannot print, as clients will “fault” the service provider because they “bought a service.” Therefore, it is critical that during service reviews, any client-related root causes are flagged and action plans implemented to prevent them in the future.

The service provider should put any issues into perspective, so if they have dealt with 99% of the incidents effectively and only 1% have issues, this should be flagged. Then the 1% can be broken down, especially if those can be explained as customer behaviors like the ones mentioned above. Where the service provider has issues that are clearly in their domain, these should also be flagged and followed by action plans to avoid them in the future. This approach should ensure that the client and service provider are working together to improve the service level attainment.

Client satisfaction is also attained by managing queries, escalations and complaints effectively.

- Queries can be simple how-to questions.
- Escalations are more serious issues where service has not delivered.
- Complaints can be real or emotive issues.

These should all be tracked and reported. Escalations and complaints need to be dealt with quickly and effectively and only closed when the client agrees they are closed. If systematic trends appear, these can be dealt with through customer education (better how-to guides) and system tweaks or changes. Any systematic issues must be prioritized.

As business machines print, copy, fax and/or scan, components can and sometimes do fail prematurely. Machines require regularly scheduled preventative maintenance to minimize “down time.” Over time, maintenance parts reach “end-of-life” and need to be replaced. Machines can also jam as parts or components fail or when non-conforming supplies are used.

It is also important to measure the pulse of the customer. When the servicing agent performs a service and does not get feedback, the technician cannot continue to improve future customer experiences.

Considerations

The elements described in the Technology section above drive many of the customer satisfaction components.

- Setting the proper expectations around SLA’s and defining processes to address issues such as failed devices and multiple service visits on a device issue will alleviate a lot of frustration and dissatisfaction.
- DCS or DCA should be used to gather device status information so that the servicing agent can receive advanced notification of need in a timely manner to help minimize device down time.
- A customer feedback loop should be considered to give customers the ability to provide critique on the service they are receiving.
- Customer feedback information should be reviewed on a regular basis to identify repeating challenges.
- Measures should be put in place to alleviate recurring problems identified in customer feedback surveys.

Note that as data collection provides the necessary details to manage the customer’s experience, the MPS provider should be prepared to allocate resources to monitor ongoing DCS or DCA functionality. It is very common to see DCS or DCA stop reporting, and unless this software is monitored, the flow of data could be impacted, disrupting the services provided to the end user customer.

Glossary of Terms

“CPI”: Cost per Image

“SLA”: Service Level Agreement

“VAR”: Value Added Reseller

“Up-time”: The time a business machine is operational or usable by the customer or end-user

“Down time”: The time a business machine is not working or operational

Servicing agent: The business machine dealership, third party or contracted servicing company that performs maintenance on the fleet of devices

Data collection software (DCS) or data collection agent (DCA): The software component made available by an MPS provider and is installed at the customer’s or end-user’s location that gathers key critical device service and consumable data on the Local/Wide Area Network and transfers such information to the service provider

Administrative component (Admin): The software component made available by an MPS software provider used to manage, construct, and generate reports from the gathered information

Desktop utilities, ePortals and/or webAdmin: Utilities made available by an MPS software provider allowing access to information in remote environments.