



# MYOB Enterprise Solutions

## Defining the challenges to a professional services business

Service industries, by the very nature of their work, face special challenges. Unlike manufacturers, their product is intangible and so quality control is more difficult.

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A customer may complain that their office wasn't cleaned to their satisfaction, for example, but determining where the service delivery process went wrong is complicated. Every step of the process has to be checked and inevitably there will be variables: the number of people or touchpoints involved, as well as inconsistencies in human actions and behaviour, will all have an influence.

Setting standards by imposing a clear set of procedures is therefore essential in the service sector. Whether it's mopping floors or repairing vehicles or equipment, the process must be firmly established, documented and monitored in order to retain existing customers and gain new ones. To stay competitive, a service provider must have a range of information at their fingertips – the sort of information that only an intelligent business management system can provide.

### Capturing invaluable customer feedback

For the service industry, customer feedback is crucial, yet some companies still don't make sufficient use of this valuable information. A 2016 survey of CEOs, conducted by [PwC](#), found that nearly a quarter of those questioned (24%) felt they didn't have enough information about what customers or other stakeholders wanted. Having access to such information was considered a problem; either customers weren't being questioned enough or their responses weren't recorded.

A customer relationship module (CRM) within an integrated ERP system is designed to capture such information. In addition, if the service company sets up a web portal that customers can access, it makes them feel both empowered and valued. They can check progress on the work the company is doing for them, and leave comments. What's more, if they contact the company's helpdesk or call centre, the person answering their call has all of the customer's data in front of them.

Armed with live customer information, a manager can better assess whether the company's practices are doing the job properly. In addition, by analysing the costs and revenue generated by each customer, the service company can offer value-added services.

### BI – an essential tool for survival

Business intelligence (BI) can mean the difference between life and death for a service provider. The service sector is the biggest industry in the world today; competition is fierce and survival isn't just a matter of undercutting one's rivals in price. In fact, that could spell doom. Tendering cheaply for contracts may attract a large volume of work, but resources will then be wasted doing numerous jobs that only deliver a meagre return.

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The best service providers never focus on price; they focus on quality. BI helps by allowing managers to drill down into each job to determine its financial viability and make adjustments. Proper BI breaks down all the individual costs, so areas for improvement can be identified. It can also deliver valuable information on how to organise other such jobs in the future – or even determine whether it's profitable to take them on at all. Then when auditing time comes, BI delivers a fully documented report.

Forecasting is another benefit of BI. In service industries that are subject to seasonal variations, a pipeline of work can be established so there's always revenue coming in. For example, a company that services refrigeration and air conditioning can identify customers whose systems are in need of servicing or upgrading, and encourage them to make a booking at a time of year when system usage is low.

### The truth about cost centres

Identifying and minimising cost centres is especially important in the service sector, where profit margins can be tight. However, it's bad practice to view every cost as an overhead that must be reduced. This could lead to false economies being imposed that may affect service quality without making any real savings.

Service managers need detailed data at their fingertips, so they can assess both current and historical costs and determine the factors affecting them. Manual spreadsheets can't do this anymore; they make handling large amounts of data difficult and time-consuming, plus the data is always out of date.

Software-based business systems that incorporate Job Costing, Asset Management and BI will deliver a live picture of the overall state of the business. Decisions about processes and the pipeline of work can be made with greater confidence. Funds can be allocated to jobs with greater certainty that they will return a profit and when the time comes for invoicing, the customer will be able to see in detail what they're paying for.

Fixed asset depreciation is a significant cost centre for service companies. With asset management software, the usage of vehicles and equipment is monitored comprehensively, helping to avoid the added cost of breakdowns. And when the time comes to repair or replace, the manager is better informed about the most cost-effective options.

### The best experience: digital is the future

At the end of the day, a service company stands or falls on the image it presents to its customers. They expect service that is prompt, effective and affordable. They want to feel that their business is valued and if they have a query, they expect an answer that shows they're dealing with someone competent.

Intelligent business systems facilitate all this by giving service companies the right tools, delivering quality information in real time for crews on the frontline, staff at the service desk, and managers in the back office. Service professionals must embrace the age of digital technology to deliver the best customer experience.

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### Finding the appropriate system

Professional service providers need to know the status of all their jobs, and their business system must be flexible enough to integrate into all areas of day-to-day operation. The system needs to:

- + track and manage the status of each job, and all the jobs being done for each client
- + be usable by multiple staff across the company
- + report on accounting, finance and costs in real time
- + manage customer interactions and billing.

It's essential too, that all data can be accessed from a central point, offering management a snapshot view of any aspect of the business, at any time. Minimising downtime and disruption is a key concern too – making it critical that the new system is not only able to adapt to the changing shape of the business, but integrate seamlessly with existing legacy systems.

It's this ability to expand and co-exist with other systems where an integrated business management system can add value way beyond specific features or functionality. They provide a platform for growth not limited by the constraints of rigid programming – and a means of actively improving the efficiency of operational tasks and activity throughput on an ongoing basis.

Want to find out more?

This whitepaper was produced by MYOB Enterprise Solutions. To find out how an integrated business management solution has helped companies like yours, why not read one of the client success stories?

**Contact us to learn more about how our bigger business solutions can help your business stay ahead..**

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