

Back-To-Basics

Why First-Time Fix Rates Deserve
A Rekindled Focus





Despite a whirlwind of new technologies available to field service organizations (FSOs), the classic strategies still have merit. In fact, a back-to-basics approach offers refreshing simplicity with low risk, a welcomed relief from some early adopter projects with unproven results. Smart organizations put fundamentals in place before adding advanced tools to their arsenals. Monitoring First-Time Fix Rates (FTFRs) is a good place to start.

In this paper, we'll take a closer look at FTFRs, including:



the importance
of a baseline
measurement



evolving
benchmarks and
standards



contributing
factors to
resolution rates



suggestions
for improving
rates



some modern
footnotes to
consider adding

Why Measure FTFRs

In today's technology-driven setting, topics like [artificial intelligence \(AI\)](#) and machine learning dominate business-to-business media. The focus is on what's new and where [automation](#) can help organizations trim costs. The importance of customer satisfaction and speedy resolution can be lost in the hype around exciting trends like prescriptive automation, chatbots, and robotics in the warehouse.

While next generation tools often promise hard-to-define digital magic, fundamental [KPIs offer tangible insights](#) into real-time performance—and progress made when barriers are systematically addressed one by one. Starting with a baseline measurement helps you define the “before” picture and measure progress being made. There is no single cure-all answer, just a forward-march toward continuous improvement toward a goal. This is why tracking KPIs, like FTFR, deserves a renewed focus.

Some classic KPIs have been used for decades by FSOs, including those that provide field service for home-related products, like HVAC systems, and partner with big box retailers to repair large-ticket items like appliances. In this consumer arena, monitoring continuous progress is especially important as customer reactions are prone to volatility. [Data helps the field service organization](#) objectively understand the true state of the organization's performance, keeping anecdotal incidents from creating alarmist views and knee-jerk reactions.

[Peter Drucker](#) is often credited with saying, “What gets measured gets done.” The basic tenet is that regular measurement and reporting keeps you focused on what you're trying to achieve. In the '90s, Drucker pioneered the use of indicators to view the progress on key business goals—rather than reporting on conclusions at the end of the project. This still makes sense.

KPI.org says that good KPIs are able to:

- ✓ Provide objective evidence of progress towards achieving a desired result
- ✓ Measure what is intended to be measured to help inform better decision making
- ✓ Offer a comparison that gauges the degree of performance change over time
- ✓ Track efficiency, effectiveness, quality, timeliness, governance, compliance, behaviors, economics, project performance, personnel performance, or resource utilization
- ✓ Provide a balance between leading and lagging indicators

Why First Time Fix Rate Matters—Still

Many say the FTFR is the most critical KPI for service organizations to track because it addresses resolution and measures speed and efficiency – essentials for profitability.

There's one other factor related to costs: each truck roll is expensive. When calculating the cost of a dispatch, field service organizations often underestimate the expense, tracking labor only. But with current fuel prices escalating, this overhead cost can severely impact profitability. Reports often claim that the average cost of a single dispatched truck can run between \$250 to \$500. In reality, once labor, vehicle maintenance, and fuel are factored in, the actual cost of that single truck roll can run much closer to \$1000, [Field Technology Online](#) reports. There is also the environmental impact of the dispatch to consider. Organizations with environmental goals will strive to limit truck dispatches, reducing carbon emissions.

Many organizations are getting on board. CompareSoft says the average FTFR is 80%. Companies with a high FTFR (70% or higher) also tend to score higher in other metrics. For example:



The formula for calculating FTFR is simple:

Number of calls resolved
on the first visit divided by
the total number of service calls.

Then, multiply by 100 to get a
percentage.

If the FTFR is less than 70%, the organization may be at risk of alienating customers who tend to be impatient, intolerant of delays, and quick to voice their dissatisfaction on social media. In fact, [The Service Council](#), reports that failure to resolve an issue during the first visit was a top customer complaint for 34% of survey respondents.





The Service Council also goes on to say that tracking this KPI is a priority for 86% of service organizations and that FTFR would continue to “[reign supreme](#)” as a top priority for service companies trying to “stack up against the best in class for 2024.”

“As service leaders are under continued pressure to do more with less, FTFR will continue to be a leading indicator of how well they are achieving that. It can tell service leaders whether their team is achieving first time resolution, therefore wasting fewer resources and less time on the cost of expensive repeat visits,” The Service Council blog says.

Contributing Factors to FTFR

What the KPI doesn't do is provide a magic wand—or algorithm—to fix the contributing factors to a low FTFR—nor does it even identify the causes. This is where the need to apply investigative abilities comes into play. It can take time to see meaningful progress in moving the FTFR higher. In some cases, the issue may be beyond control, such as bad weather or traffic delays, but organizations may be able to mediate the situation by managing expectations and communication with the customer.

Here are some common influencing factors that can interfere with resolving a service order on the first call.

	Parts shortage. Not having the right parts available in the service vehicle is the top cause of needing a second visit to resolve the service request. Organizations should take steps to keep vehicles well stocked, especially with the replacement parts of common models. Trucks should be restocked nightly and real-time inventory reports should be accessible to monitor critical parts on hand in the truck—or the warehouse.
	Parts visibility. Searching for parts, ordering parts, and having to return wrong items leads to costly inefficiencies and poor service experiences. A reliable parts partner will ensure the right parts are available when needed. ServicePower recently announced a partnership with Encompass, a company that enables parts identification via search, photo, or schematics with an exploded view and 360 scan of all equipment parts. The parts can be ordered in a single click, and orders will be augmented with suggestions of additional parts that are often ordered together.
	Technician experience. As Baby Boomers retire and graduating students are drawn to high-appeal IT jobs, the recruiters for technician jobs are often left with a shallow talent pool. Organizations can minimize the risk by initiating strong recruitment and retention programs, providing a rewarding workplace environment, and supporting junior technicians with training and education programs. For onboarding, early-career technicians can be partnered with mentors for on-the-job training.
	Schedule optimization. Tools help match the right technician to the right job, including matching certification levels required for some product lines, brands, and models. Technician experience with types of assignments and brands can also be a factor.
	Scheduling disconnects. As dispatchers attempt to juggle numerous urgent service requests, it's easy for jobs to fall off the radar or be scheduled for awkward times, like right before end-of-day, or during peak travel times when traffic is bottlenecked. Modern schedule optimization tools can avoid such disastrous assignments and create schedules that support fast resolution of service orders.
	Visibility. Service technicians need visibility into details of the service request, including warranties, service agreements, and service history. This information will help the technician make well-informed decisions. Access to schematics and typical repairs will help the technician quickly resolve the issue. It goes beyond equipping technicians with mobile solutions. An end-to-end service solution with a built-in knowledge base for easy searching will help make finding the necessary information faster and easier.

Added Considerations

Today, some added factors influence resolution rates that should be considered to truly capture an objective view of the company's success rate. For example, field service organizations are reporting an increase in the number of No Fault Found calls, says the [Service Council](#). These are ones where the issue can't be repeated when the technician arrives. As products become more complex, these types of "mysteries" inherent to computerized devices are more likely to increase. Call center agents can be trained to ask questions to help weed out false alarms and cases where unplugging/resetting the device is sufficient.

Call deflections are another type of resolution that isn't always tracked – but should be. Every time a truck roll is deflected, that's a major savings for the company. AI-driven automation will be able to help triage calls to the service desk and deflect the ones that can be resolved by the consumer, using a self-service guide, a portal, or online knowledgebase for ways to troubleshoot basic interventions. A call center agent might be able to suggest a simple fix, like a filter replacement for the refrigerator with an in-door water dispenser that no longer works. These resolutions should be counted as wins, too, helping to create a more accurate reflection on the company's ability to [satisfy customer needs](#).

Remote resolution is also gaining popularity and these successes need to be monitored as well. Consumers today are tech savvy and self-sufficient at troubleshooting issues related to embedded computerized features. Today's high-tech appliances and smart systems may need a reboot more than they need a repair person. Triage by the call center will help discern the difference. Stretched FSOs are often just as eager to avoid unnecessary dispatches as the consumer is.



“Consumers today are tech savvy and self-sufficient at troubleshooting issues related to embedded computerized features.”

The Service Council says, “We predict we’ll see a stronger focus on call deflection (dispatch avoidance) rates, eliminating repeat visits and No Fault Found (NFF) instances, all of which continue to represent a sizable percentage of dispatch scenarios and service costs (NFF alone contributes around 20% of an organizations’ overall service costs).”

Getting the FTFR Right Has Many Benefits

Improving the percentage of jobs resolved on the first visit may seem challenging, but the rewards justify the effort. Customer experience experts conduct extensive polling on the topic. [According to the 2023 Achieving Customer Amazement study](#), consumers are highly appreciative of good service, such as speedy resolution of a service request. Research says:



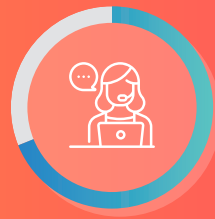
76%

of customers would be willing to go out of their way to go to a company that has better customer service



47%

of customers would pay more if they knew they would receive great customer service



69%

say a convenient customer service experience alone will make them come back to a brand or company



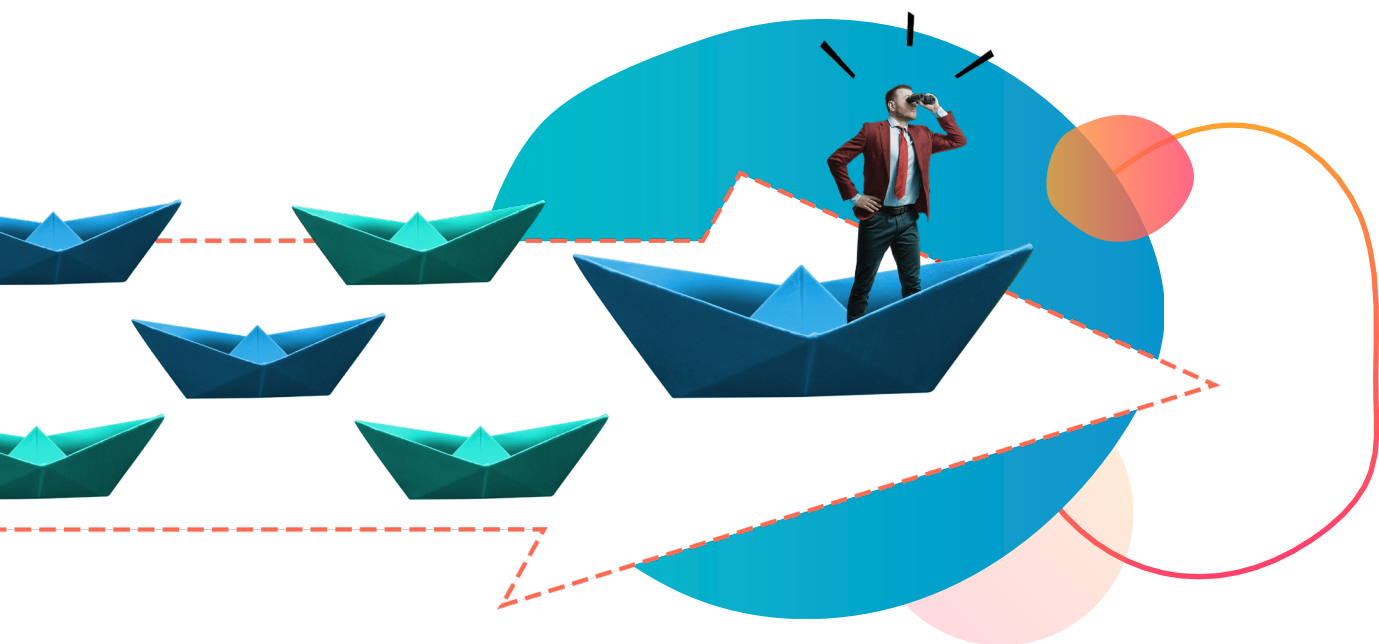
82%

are likely to recommend a brand or company to friends/family if it provides a convenient customer service experience

Becoming More Strategic Has Value

Organizations are taking [service strategies](#) more seriously. Improved FTFR is one way to demonstrate and reinforce to the entire C-Suite the value of optimizing the service operation. Focusing on manageable influencing factors, like parts availability, skilled technicians, optimized scheduling, and improved visibility, will help resolve service calls on the first dispatch. Customer satisfaction and operational savings will follow.

Tracking FTFRs is essential, providing a foundational view of the organization's abilities to resolve service requests efficiently. In addition to tracking this basic KPI, though, future-centric organizations also need to take a wider view, looking at ways to divert calls, or resolve issues by online or remote support. These tactics, too, need to be monitored and measured as wins for the organization and the customer. So, FTFRs still deserve attention, in fact renewed attention, but a refresh on definitions is necessary too.



As a global leader in field service management, our solutions are designed and built with a focus on providing your customers with an exceptional experience, while delivering operational efficiencies and digital transformation capabilities. Our secure and flexible solutions provide organizations with the ability to optimally manage their workforces, while increasing revenue, improving the customer experience, and reducing costs.

“ServicePower has been a game changer for us through the years. Its automated AI-powered scheduling improves our workforce productivity and customer satisfaction daily, with every customer interaction, resulting in increased profitability for Siemens.”

- Pre-Job Process Owner, Siemens

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