eNetwork

Roundtable Roast in Dallas

This publication will be sent to members electronically and on the website   By: Claudia J.. Betzner

Special points of interest:

- Recap Roundtable from Dallas June

- New Members

- Preview 2012 Summit; dates March 11,12,13

- Board Meeting—

- Roundtable Toronto 9/22

- Roundtable Europe 10/25

- Roundtable San Francisco 12/8

The Mission of SIA is to serve as a forum where every member can enhance their business and to take collective action for the betterment of the industry whenever necessary.

Those that attended the Dallas roundtable the end of June were treated to a fantastic facility at Paladin. It might have been a roasting heat wave outside but inside it was a cool 72 degrees. You can see most of the points of discussion later in this newsletter along with the schedule for the next three this year to be held in Canada, Europe and the West Coast. If you have not attended one of the roundtables you might want to make the time. They are dynamic interactions with other top industry leaders and the face-to-face discussions are priceless.

During the next three roundtables we will be hearing from selected top CEO's in major service companies who will share their vision of **Service 2015**. A compilation of this data will be presented at the 2012 SIA Summit with a theme of Service 2015. Over the next few years we will continue to report on the Megatrends with whites papers and presentations through SIA.

The next 3—5 years we will continue to see a digital tsunami with Cloud Computing being the next innovative wave creating an invasive megatrend in IT service. Our workforce is becoming more multicultural, more female and more Hispanic with more jobs going offshore to be globally competitive. The Medical service industry will be driven by nanotech, neurotech, genomics, leading to longer and healthier lives. Globalization will continue to radically alter how we do business. These were discussions at the SIA Board meeting held in Dallas that led to our decision of creating a focus over the next few years in SIA of Service 2015. Special thanks to Tom York for fueling the discussion and Dave Wiedman for agreeing to Chair the committee on 2015. We have also ask Stephanie Williams of Atlanta's Ignite Marketing to be a part of the committee and provide her Consulting expertise.

Another decision of the Board was to go back to Mirage for the 2012 summit which will be held March 11, 12 and 13, 2012. We have decided to hold the rates to attend the Summit the same as 2011 and Mirage rates will be $159 per night. A preliminary program is included in this newsletter and registration will be on the SIA website beginning August 1 with a $200 discount per person for early registration.

With emerging technologies traveling at warp speed this will be the most important Summit we have ever had since we will have a 3 year program kicking off on Service 2015.
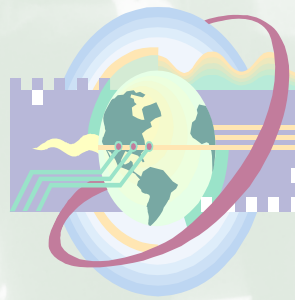
New Members this year

Brains II, Inc.
905-283-3417

Bell ATM
303740 8370

CESS-DANMARK A/S
Denmark
459-950-5000

Delta Computer Group
631-845-0400

Eastman Kodak Company
585-722-4118

Instock
1.877.STOCKED

Mosaic Technology
603-898-5966

Olympic Support
Birmingham, United Kingdom
441-212-515151

Virtual Technology
248-524-0952

New this quarter

RC Electronics International
800-682-2052

Magnext LTD
614-433-0011

tekservePOS
847-805-9050

Nordic Computer A/S
Noerresundby, Denmark
45-96338633

Outsource International Ltd
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+447739826671

Abtech Support
Dana Collins
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dcollins@abtechsys.com

XS International
Mr. T Bone
Atlanta, GA
tbone@xsnet.com

SIA welcomes 16 new members this year, 7 since the summit

According to the Wall Street Journal "Top U.S. companies cut their work forces in the U.S. by 2.9 million during the 2000s while increasing employment overseas by 2.4 million, new data from the U.S. Commerce Department show. That's a big switch from the 1990s, when they added jobs everywhere: 4.4 million in the U.S. and 2.7 million abroad." Topping the list of those moving offshore were **Oracle** who cut U.S. workers by 39,000 and increased workers abroad by 66,000 and **Cisco** who cut U. S. workers by 38,350 adding abroad 32,350.

Corporate Globalization

Percentage of workers overseas for selected U.S.-based companies. Mouse over for detailed figures on workers in the U.S. and abroad.
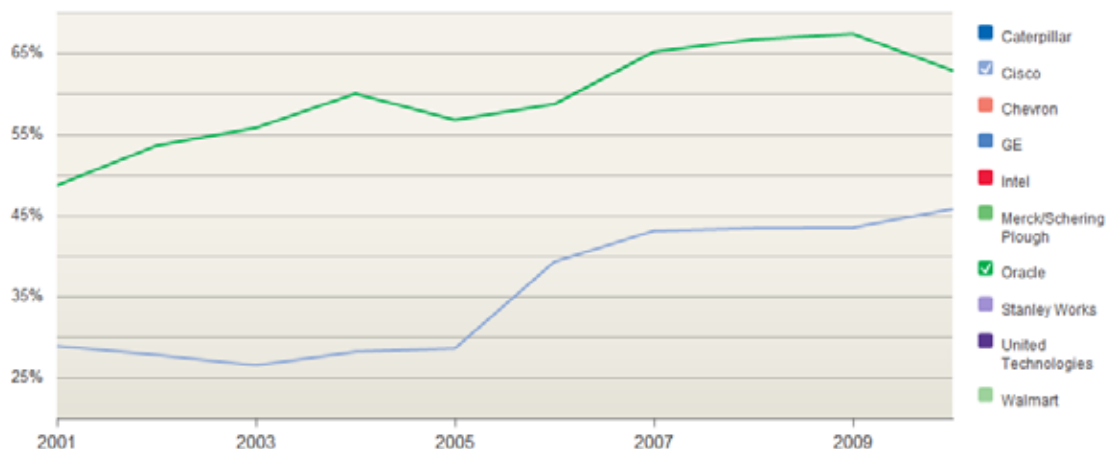
Sources: the companies. Note: Stanley Works figure not available for 2010; for company formed by merger of Stanley Works and Black & Decker, 14,400 employees worked in the U.S., 22,300 worked abroad; 2006-2008 figures are for Merck and Schering Plough combined; 2009 and 2010 figures reflect Merck's acquisition of Schering Plough.

SIA Roundtables through 2011

The networking dinner is an important part of the roundtables. It is where serious business meets Networking Fun.

The next roundtable is September 22 in Toronto, Canada. We only have a few spaces left so for invite call today.

September 22, 2011 – Toronto, Canada hosted by Brains II
　　　　Topics:
(1) International Global Services Marketing; U.S. Canada Bridge - Led by Brains II
(2) Renewal Business   Tom York with Service Source participating
(3) **Service 2015: Two CEO's invited to discuss what they see in 2015: Charles Hanna, President Brains II; Don Barry Canada IBM**

 Europe Roundtable
We are planning one in Europe later this year titled "Hands across the Water" where we would hold a roundtable between U.S. Companies and European Companies, how they work better together, partner more together and support each other's interests such as anticompetitive movements by OEM's. **The date is October 25 on a Tuesday. ASCDI is holding an event later that same week in Germany so those companies that attend one can attend both if they choose.**
1. Hands across the water: How U.S. Companies and European companies can increase partnering opportunities and work more closely on key issues – Exec. Dir. to lead this discussion along with Rich Guglielmo
2.   Open – European companies working on this – Olympic of the U.K. taking lead on this discussion which will focus on the needs of EU service companies.
3.   Service 2015 – two CEO's will be ask to provide 15 minutes of what they see (get collaboration from CEO's)

December 8, 2011 San Francisco (tentative)
(1) Fleet/People Mobility led by Runzheimer
(2) Open
(3) Service 2015—two final CEO's invited to provide their vision of service the next 3—5 years.

2012 Service Industry Executive Summit for Service Leaders
"FutureTrends Service 2015"

The Summit where Serious Business meets Networking Fun

Sunday, March 11, 2O12

Welcome Networking Reception   (All events in Bermuda, one half is General Session, other is Exhibits, food functions)

Speed Networking tables set up with bell ringing every ten minutes to change tables; Continental   Breakfast in Bermuda and General Sessions in Bermuda A&B

2012 Summit will kick off a three year research program!

Monday, March 12 , 2O12 (day one Strategic)

Welcome SIA Exec. Dir., Claudia Betzner, Summit Moderator

Keynote Future Trends Service 2015 – A Service Industry Futurist will discuss his perspective of where service will be in the next 3 to 5 years. Technology, Staffing, Customer Expectations.

IDC – Complete analysis of Future Trends based on statistics of what the Service Industry will look like in 2015. Service, Parts, Depot

Industry Leader Panel – 2015 Service

  Over the past year in the roundtables we have been interviewing CEO's to get an outside perspective on where they see Service in 2015. This session will be the Summary and Conclusions of all their input including IT, Medical, Parts, Depot Repair from U.S. Canada and Europe.

Technology Trends in 2015 – This session will discuss such things as smart meters, what technology devices/tools service providers will be using in 2015 and what Invasive Technology Changes will drive the market.

 Cloud Computing   What is the new normal? Transformation, Methodologies; Outcome based selling using Cloud. Technology has changed societal interaction and business processes. Adapting your business model must be outcome based selling; not maintaining the old product based selling strategy. Aligning with MSP and cloud computing. Offering utility/cloud computing as one of your solutions!

Break

Managed Print Services (*MPS*) involve managing hardcopy device fleets (copiers, printers, multi-function devices, and fax machines) in a unified fashion. Hear from an expert what the savings advantages are and the future trends in MPS.

Tuesday, March 13, 2012 (operational)

Continental Breakfast

State of the Association – Randy Parks, President
Special Recognition of each Board member – C Betzner, Executive Director & President

Customer forum – How "Service Industry Customers" expectations are changing today and what they are looking for in their Service provider, depot repair provider, parts provider.

How to Make Green Strategies Profitable; how to be compliant and profitable at the same time

Break

Labor & Staffing Session What are the future trends in staffing? Direct vs. indirect; compensation systems. Total rewards programs.

Quality Session

B2B Social Media This session will look at how we are using social media today in our business. How it plays in our business, how services like yelp can work for you and against you in business and your careers. Real world examples.

Breakouts – Invasive Business Model changes
IT, Medical, Parts, Depot Repair will break out and discuss invasive business model changes in their segment of the Service Industry.
Break Summary review of Breakouts reviewed in General Session.

ICCC Update and How to work in an environment Overcoming Barriers to Service & OEM Restrictions
 A review of Current actions by OEM's such as Oracle/Sun, Cisco, HP; SIA actions
Gay Gordon-Byrne, President TekTrakker and ICCC Chairperson
Wayne Moore, Pres. Acetara (Medical OEM actions)
Bernd Appleby, President & CEO Terix Computer Service (IT OEM actions in U.S.)
Dr. Paul Lalli, CEO Solid Systems Computer Services Ltd. (Actions in the UK)
Tony   Director Brains II, Inc. (Canada)
Dennis Neilson, Director CESS (Denmark)
Alan D Graca, President KT International (The Netherlands)
Mal Fraser, Director MVSS (Australia)
Wrap Up – 4:00 P M to 4:30 P M

Grand Finale – Cocktail Reception (no host)
Full seated dinner at 7:30 P M; SIA Paid attendees only; tickets available for spouses $100 each, see registration desk

What are the Megatrends? How will they affect your business? Questions that will be answered at SIA Summit 2012

Sculpting Employee Compensation Paladin Consulting
Enoch Timothy, President; Tonyia Williams, Dir.HR; Doug Roark, Dir. Recruiting

Objectives of a total rewards system

- **Aligned with mission and strategy**
- **Compatible with corporate culture**
- **Appropriate for the workforce**
- **Externally and internally equitable**
- **Effective for recruiting and retention**

External Equity
Compares an organization to other organizations that share its industry, occupation, or location. Organizations may decide to: (1) Lag (2) Match (3) Lead

- **Benchmark to others in your industry by business model, location**
- **25 – 30% in audience knew where they fit**
- **Employee retention is a great benchmark to use**
- **Where are you today? Lagging, matching or leading?**

www.radford.com to measure your company, where you fit
          Indirect is important component but harder to measure

Internal Equity *Meets employees' needs for a fair wage and adequate benefits. Recognizes employees' contributions to the organization. Rewards equal work with equal pay. Deoes my plan support what the customer is willing to pay? Does anyone in room have a good or bad experience to share post raise or pay change? One cited situation where they went to more recognition after a pay increase and the employee quit.; Baby boomers and younger employees have more demands.*

- **Knowledge base now readily available on Internet and publications for comparisons so most companies in line on pay scale so indirect becomes more important.**
- **Another question: If you woke up tomorrow and the economy was much better, would your employees still want to come to work?**
- **Employees want more control.**

Some in room thought the new reality for normal for the economy is what it is today and where it will stay for a while, partially due to the global economy and lower labor rates in places like China, Taiwan, India so many jobs moving out of U.S. economy therefore unemployment rate will remain high. Article in the wall street journal: "Companies cut their work forces in the U.S. by 2.9 million during the 2000s while increasing employment overseas by 2.4 million, new data from the U.S. Commerce Department show.

How does your customer and market restraints affect your compensation plan?

- **How many lock down systems from youtube, other email systems, social media, etc? Most in room about 75% did not but most thought larger companies are higher percentage that do.**
- **Employee benefits – change in thinking; wants to be treated individually not one size fits all; process driven organizations must have some consistency to avoid lawsuits and moral issues.**
- **Perception in 100 or less employees is "owners get richer, employees work harder."**
- **Monthly meetings important to communicate costs of benefits so employees see value.**
- **Hold open meetings of measurement of employee productivity very important, see comparison between employees, important for measuring profit – some percent of profit should go back to employees.**

Bonus issues: Can they contribute to bottom line?

(Above is only a sampling of what was reviewed; all types pay and reward systems)

Special thanks to Paladin for hosting the SIA roundtable in Dallas.

Data – Information – Knowledge: Cloud Computing Tony Merendino, President ServIT

Tony began with a review of who and what is ServIT and what they are accomplishing today. Why here to understand the change to our work environment. The Cloud/MSP and build a recurring revenue stream.

- **Bound the problem**

- **Blueprinting and outcomes versus product selling**

Dash boarding and measurement about half in room do dashboard measurements

What is "The Cloud?" Cloud computing refers to the logical computational resources (data, software) accessible via a computer network (through WAN or Internet etc), rather than from a local computer. The on-line service can be offered from a cloud provider or it could be private organization's own. In this case these technologies are regarded by some analysts as a technological evolution, or are seen as a marketing trap by others like Richard Stallman. — *Wikipedia*

The New Normal

- **Post-industrial society; everything, everywhere, at any time.**

- **Made possible by the Internet.**

Reference to book: The World is Flat by Thomas Friedman

The Transformation: What is it?

It is a societal change. Where have its effects been felt?

- **Asset ownership is no longer key to access to and availability of knowledge**

IT knowledge has become ubiquitous; Computing is fast becoming a utility

Who is leading the charge?

Business or Individuals?

- **Technological push vs. market demand; Browse vs. study and research Agility, mobility, lack of professional stability**

Methodologies

> **I hear and I forget, I see and I remember, I do and I understand…Confusius**

Product Selling

> **Outcome, Product, Process Benefit;** Moving from product based to needs based
> **Tony provided several examples of each but the Outcome was Nike, Harley Davidson and Gatorade most significant.**

Outcome Based Selling

The person who listens is in control of the conversation.

Outcome (Needs) Based Selling

- **How? How much? What bottlenecks? Do I have a solution?**

- **Website hits vs. traditional prospecting.**

- **Find, Create Inspire: Organizations with business problems; Awareness of your expertise as a solution to business problems; Prospect's decision to solve the problem; prospect desires the credible, cost-justified solution proposed by sales rep. Results are that sales occur, your solution is deployed. The business problem is solved.**

- Realign yourself to your model; find a flowchart that matches your business model

Recommended book: Concentric Selling

What to do?

Cross the chasm from early adopter to mainstream provider.

• Embrace the outcome based sales strategy; • Change your solution offerings:
• Utility computing; • Hybrid
• Ongoing asset-based solutions; you offer the choices or alternatives, thereby setting the limits.

Size of company important; concentrate on mid market considered to be $20 million to $500 million.

Expected results

- **Improved cash flow**

- **Recurring revenue base development**

Profitability

Summary "Tell 'em what you told 'em."

- **Technology has changed societal interaction and business processes**

- **You must adapt your business model**

- **That adaptation must be outcome based selling, not maintaining the old product based selling strategy**

- **You must align with MSP and cloud computing**

You must offer utility/cloud computing as one of your solutions!

Special thanks to Mainstreet for hosting the cocktail reception in Dallas

SIA

The Network for
High Technology
Service
Promoting
Customer Choices

Www.servicenetw
ork.org

Service Industry Association is a non-profit organization made up of high technology service companies promoting customer choices.

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