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The Association for Service Professionals

Ease Your Mind with Succession Planning

By Randy Carney- PSA Executive Director

The dawn of a new year gives many of us reason to reexamine our lives and businesses. New Year's resolutions regularly include promises to lose weight, quit smoking, exercise more and make other lifestyle choices. A new year also tends to have us looking at our business situations, and we often need to confront a subject that many of us would rather avoid... if I am not here or unable to run my business, who would do it?

Don't sleep on that thought. While it may be unpleasant, it is a valid concern. It will undoubtedly affect your family, your employees and their families, your business suppliers and partners, and your customers. You have spent years building up the name of your business, and you are going to want that good name to continue.

Succession planning is a process whereby an organization ensures that employees are recruited and developed to fill each key role within the company. Through your succession planning process, you recruit superior employees, develop their knowledge, skills, and abilities, and prepare them for advancement or promotion into ever more challenging roles. Actively pursuing succession planning ensures that employees are constantly developed to fill each needed role. As your organization expands, loses key employees, provides promotional opportunities, and increases sales, your succession planning guarantees that you have employees on hand ready and waiting to fill new roles.

There is a perception that the only companies that need to apply a succession plan are large corporations, but that is not the case. Any company can benefit by such a plan, and your concerns over the future of your business can be eased by implementing such a plan.

How do you start such a process? Research indicates that clear objectives are critical to establishing effective succession planning. These objectives tend to be core to many or most companies that have well-established practices:

- Identify those with the potential to assume greater responsibility in the organization
- Provide development opportunities to those that can move into key roles
- Engage the employee base in supporting the development of high-potential leaders
- Build a data base that can be used to make better staffing decisions for key jobs

By pursuing the development process, you will likely find other benefits include:

- Improved employee commitment and retention
- Meet the career development expectations of existing employees
- Counter the increasing difficulty and costs of recruiting employees externally

The process itself does not necessarily involve reinventing the wheel- you need to identify those employees that you believe either have the capability to develop into leadership positions and then begin to involve them in the day to day operations of your business- let them be part of decision making and give them special projects to test their abilities. Through the process, you need to

be available and be able to monitor progress, or even lack of progress. After all, every decision you make isn't going to necessarily work out, and you may have employees surprise you by their ability to grow and execute your plans.

At some point, as the employee(s) progress in what they are doing, have a talk with them and outline your vision and plans for the business. Let them become your sounding board for ideas and planning for meeting challenges you might face. You have made this business successful- don't be afraid to let them get a look at what has gotten you to this point. Eventually, while they are probably not going to be carbon copies of what you are, they will be in a better position to make sound decisions on issues that they will face as leaders.

Most employees will appreciate what you are doing and embrace the challenge. This allows you to begin to farm out some of the duties that perhaps you have assumed you'd be doing as long as you were working. By focusing on the development of your key employees, you can develop a future plan, and be able to ease yourself into a smaller role, or even, hopefully, a long and happy retirement!

Succession planning does not have to mean that time when you won't be around any longer, but a solid plan will ease your mind, aid in the development of your employees and strengthening of your business. At the end of the day, you will certainly rest better!

THE FIELD SERVICE TECHNICIAN

By Don Pierson- President- Certified Service Center

Who is the most important customer service person in your Company? Is it the owner? Is it the accounting person? Is it the person who handles your customer calls? Is it the person who actually builds the final product that you sell? The answer to this question can vary based on the kind of product or service that you sell. The answer can also vary based on the opportunity that the customer has to evaluate the quality that actually goes into assembling your final product.

In manufacturing, customers in most cases cannot actually see their product being manufactured. They don't see the quality tests and they don't see the quality issues that can come up with the assembly and testing of many products. They go to reputable manufactures to purchase their products, assuming that they take great care in building quality products that are made to last. They don't see the items that are scraped in production and they don't see the number of products that are returned for quality issues. The product is built somewhere else away from the watchful eye of the final customer. These products are bought based on trust and reputation and once in a while Consumer Reports.

What about the field service companies? What is your product and how is it evaluated by your Customer? Unlike manufacturing, your product is assembled, in many cases, right in front of the ultimate performance evaluator, **your Customer**. Your customers view your speed and accuracy in fixing their problem. They stand over your shoulder to see what is wrong. They interrogate your diagnosis and ask for your opinion on the product that you brought. They evaluate the expertise of the technician. I know this to be a true because I am one of those customers!

Sometimes we forget the big job that the field technicians really have as they manufacture and deliver your final product directly to the customer. When your service van leaves in the morning, how many opportunities will that technician have to impress your customers that day? Try to give them all the tools possible to make them the best advertisement that your company can bring to the marketplace. Have them trained and certified in the areas that will help give your customers, and your technicians, a very positive experience in all interactions. Make sure that they understand the importance of each and every customer and how critical their job is in the success of your service business. Give them all the tools that they need and support them through your appreciation of the work that they do every day. Your success is a direct reflection of their continuing growth and on-the-job professionalism. Please remember that when your technician hits the road in the morning he or she IS your final product.

CSC is a nationwide network of quality certified service providers. CSC Web Site is www.c-csc.org

Thoughts from the Executive Director

By Randy Carney, PSA Executive Director

February has sped by us, as it's supposed to. Even though it was longer than usual, it still great to put that one behind us, as March is a month always has a lot of promise attached to it. NCAA basketball, St. Patrick's Day, the first day of spring, and baseball spring training going on full speed. It's just a good month.

Not to mention that, with February gone, all vestiges of the political campaigns have left us in Iowa, for which we are grateful. I hope that all of you that are subject to this nonsense get through it, also.

But remember- we here in Iowa at least cut the field down for you!

Now, for a few notes and comment...

- For those of you that are waiting for the 2016 version of the PSA Service Library to be available- take heart. It will be available in March, and we will announce the actual date via PSANet when we get it. The delay was mainly because we got hit with an unexpected batch of material we thought needed to be in the 2016 edition, so we decided to make sure that information was included, even if it meant the release date would be pushed back some. Keep an eye on PSANet, and we do appreciate your patience!
- For the past several years, PSA has featured our Basic Appliance Training program in our field training, and hundreds of relatively new and aspiring technicians have passed through the program. PSA is currently in development of new training programs that will focus more on product platforms, and the training program will be able to be customizable to the needs of a specific area. While we will continue to offer the BAT program in certain markets, this new training plan is expected to be more advanced and relevant to seasoned technicians in our industry, and also 2 days instead of 3. We expect the new training to be available starting this fall, so keep an eye on *PSA News* and our website, psaworld.com, for training opportunities in your area.
- We recently ran an article in the newsletter noting that retailer JC Penney is once again taking steps to get into the appliance business. This is fairly unusual, as in the past, some retailers have actually exited the business, but Penney's foray should be viewed with anticipation by the independent service network. Any retailer that has the capability to pump additional product into the field, and does not have an in-house service arm, presents an opportunity for additional business for the service network. Keep an eye on what JC Penney and others are doing, and drop us a note if you find anything that your peers may need to know

about.

• Finally, a shout out to an industry colleague and longtime supporter of the appliance service professional. Paul MacDonald, Executive Director of the United Servicers Association, took ill at the recent ASTI in Florida, but we understand that Paul is recovering nicely and we want to pass along our prayers and best wishes for his full recovery. Take care, Paul, and I hope to see you soon out in the field doing your thing!

Coming Soon!!!

PSA's 2016 PSA Service Library with 40% more information than the 2015 version







Linda Knudsen Official PSA Technology Instructor

Day I-Basic: Electricity

Electrical Safety

Theory, Voltage, Amperage, Wattage, Resistance Ohm's Law and application of Ohm's Iaw Alternating and Direct Current Circuit Fundamentals, series, parallel, combination circuits Electrical component operation and testing Use of Test Instruments Recognizing electrical symbols Reading electrical schematics and diagrams Diagnostic routines and troubleshooting

Day 2- Basic: Gas

Gas Basics, Safety, Characteristics Fuel Gas Code requirements for Gas appliances Gas testing devices Gas Ranges, operate and test components Gas Dryers, operate and test components Gas Water Heaters, operation and testing components

Day 3-Basic: Refrigeration

The Refrigeration system Refrigeration system components Refrigeration system components operation Fundamentals and application of refrigeration systems Refrigerants Troubleshooting refrigeration systems EPA Requirements and Refrigerant Recovery

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BAT's All Over the Country!

PSA's Basic Appliance Training (BAT) initiative is continuing to sweep the country in 2016!

The BAT program focuses on basic principles and repair functions related to electricity, gas and refrigeration, the core basis of a successful appliance service technician. The BAT training provides a solid foundation for new technicians, along with a strong refresher course for more experienced techs that will make the product specific training offered by manufacturers more understandable and also help to make your technicians more efficient and effective.

This fall, PSA expects to begin advanced training classes on various product platforms, mainly featuring 2 day sessions. Keep an eyer on PSA News or psaworld.com for further information!

There are more BAT classes being confirmed in the first half of 2016- please keep your eye on PSA News and our web site <u>www.psaworld.com</u>, for the complete 2016 BAT and PSA training schedule...

April-	Denver, CO- Dey Distributing April 19, 20, 21
May-	Atlanta, GA- Tribles Appliance Parts May 24, 25, 26
June-	Pending
July-	Pending
August-	Pending
September-	NASC 2016 in Dallas, TX- September, 26-29
October-	Nashville, TN- Tribles Appliance Parts October 24, 25, 26
November-	New Orleans, LA dates TBD
December-	Pending

Quality and Performance Vary Among Aftermarket Appliance Manufacturers

By Ed DeMask, Marketing Manager www.thereisachoice.org

Consumers choose between brands when selecting a dishwasher, refrigerator, washer or dryer to purchase, contemplating the variables of cost and quality. Servicers also make a choice when they visit their appliance parts retailer and choose between various parts such as wheel assemblies, rack adjusters and ice maker flappers.

In the grand scheme, purchasing aftermarket parts on the way to handle the day's scheduled route of jobs isn't what would seem to be a major decision-making situation. However, it's exactly just that – a great time to understand that not every aftermarket part is the same as the other.

In fact, there are significant quality differences in the levels of aftermarket parts. With aftermarket appliance parts, there are a few companies that are producing essentially exactly the same product as Original Equipment Manufacturers (OEMs) and providing testing and material data to ensure it meets or even exceeds the same quality and will provide the same or longer-lasting performance.

But there are several other companies that are flooding the market with cheaper, less reliable parts that will never perform the same as their "top shelf" aftermarket competitors' products will. In many cases the products are being made with less than dependable materials and most have not been agency-tested and approved.

Not only does this hurt the entire industry but it gives aftermarket parts a black eye because some servicers might think this is the reputation of all aftermarket parts manufacturers. This is definitely not the case and I encourage all servicers to look into the level of quality that comes with the parts they are purchasing.

SJH Bake & Broil Test

While there are a number of ways companies can talk about quality, integrity and value – providing raw testing results is always sure-fire way to back up those claims. Providing agency-approved testing for all products is important because you commit to a standard that other companies will not, likely because of price and quality short-cuts.

Tony Wu is President of SJH, Inc., the only sales office in the Americas for Sino-Japan Electric Heater Co., Ltd. (SJH), a globally respected manufacturer of heating devices for appliances and other types of products. Wu deals with all types of aftermarket companies and is a recognized leader in the industry for the quality of his products, his testing procedures and the lengths he will go to ensure that every heater he manufactures meets or likely exceeds specifications.

In November 2015, Wu started testing various aftermarket bake and broil heating elements that are currently being used in the market. Essentially, Wu decided to put them to the test for a quality check to see if they were utilizing the materials necessary to meet the manufacturer's claims. Unfortunately, some aftermarket manufacturers are utilizing products that don't meet specifications but still make their way into appliances and into homes.

Wu tested 30-inch electric range bake elements and found that those not meeting UL standards underperformed significantly in testing situations. For example, several bake elements literally broke into separate pieces after only 44 days of life cycle testing. The surface of the sheath was melted and the element itself was broken in halves, proving it was less than adequate quality.

Wu overall findings were that the low-grade elements warped and even some semi melted, the surfaces of all peeled and none would've passed any UL testing. These are products that are currently sold on the market and can be purchased at some appliance stores and internet sites.

That shows the dramatic difference between the levels of aftermarket manufacturers – because there are companies, Exact Replacement Parts (ERP) is one and there are others that do performance-based testing to ensure that parts sold will meet or exceed the needs of a particular appliance. OEM quality is the minimum that these types of companies strive for when developing aftermarket parts – and these are the types of parts servicers should be seeking when looking for a reliable partner.

Wu says there is indeed a big difference between the OEM-quality companies and those simply trying to make a cheaper part.

"Generally most of the smaller companies that are focused on lower prices don't have the type of on time delivery and they don't have the same support level, engineering and customer service – and they definitely do not have the same quality," said Wu.

"Especially when it comes to complicated designs. Some will lower prices by sacrificing material or even selling at a loss, and we have caught them supplying our customers' shipments with products that are not specified from a drawing. The specifications, for example, for one product clearly call for 9.53 mm heating element OD and Brand-X shipped 8.0 mm until the customer caught it and Brand-X lost their status as a supplier to this customer. They're buying smaller and thinner products to make their parts so of course it's cheaper, but what happened to quality control? They don't last as long and they don't even fit the original specs."

SS 304 vs Incoloy

Another issue with aftermarket manufacturing is the use of Stainless Steel 304 (SS 304) versus Incoloy. A super alloy of varying ranges, Incoloy has provided solid performance as the sheath of Wu's heating elements. But his competitors are using Stainless Steel 304 and tests show that the product cannot provide nearly the same quality as Incoloy and in many instances – is destined to fail.

"They are using Stainless Steel 304 and that's the cheapest form of stainless steel, plus all types are cheaper than Incoloy. Our heaters go very high in temperature and no matter what when you use 304 in the long run and doesn't have to take that long, the surface of the sheath - the tube - you will see peeling as it burns," he added.

"It's cheap and they'll see warping and it'll become deformed. Stainless Steel 304 has a UL-regulated temperature of 760 degrees centigrade while Incoloy is 927 degrees centigrade. For the design of each heating element there are different watt densities. For a 3-turn-6 element, 1200 watt, you are squeezing such a high wattage out of a small heater and you use 304 on that, the watt density will make the temperature very high and it surpasses the temperature the 304 is rated for.

"So you're using it higher than it can withstand. Maybe if you use it a few minutes it won't matter but use it for an hour at a time then eventually it breaks down and the heating element deforms, it warps, the heater peels and eventually the heater sheath may burn."

Wu's message to those considering cutting corners to provide a cheaper product? Don't – it won't ever work out long-term.

"I think the general message is that you want to buy a product or in this example heating elements that are good quality, safe and meet the standards that are UL Recognizable and you want to buy from factories that are UL Recognized factories," Wu said. "That means you have a UL inspector or engineer visiting your factory randomly every quarter. If they check any problem you are penalized and you aren't allowed to ship.

"It becomes expensive being penalized for mistakes so you want to buy from factories that are UL Recognized and are 1030 recognizable. Then you have safety and you don't face early termination of the product or a return trip to buy replacements, or worst yet, endure personal injury or damage of your properties."

One of the easiest ways to avoid dealing with a company that provides parts at a lesser quality and performance than the top tier aftermarket companies is simply to do your own research. Make sure to ask what types of metals are being used and talk about UL standards and testing procedures.

There have been many examples over recent years in which companies have launched aftermarket parts that had zero testing and were far from UL approved. Doing such a thing is essentially carrying out a plan that is sure to fail – even though it was avoidable in the first place. Sticking with recognizable brands that have been in the industry is your best bet versus buying brands you've never heard of to save a small amount of money that in the long run could damage a servicer's reputation or more.

"Ask for OEM quality, look into testing procedures and make sure to request parts that are made by the few aftermarket companies that go the distance to ensure their products not only last but they perform, as well," Wu said.







As you can see in the photos above, the heating elements did not last more than 44 days during testing. This is not quality manufacturing – the close-up photo shows the sheath of the element melted in several places.

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