



Certified Service Manager (CSM) Competency Requirements

The following list of competencies provide valuable guidance to owners, managers or department heads of service and/or retail type businesses where customer service is of the utmost importance. These competencies can be applied in many managerial areas such as retail sales, electronics, information technology, communications, human resources, appliance repair facilities and many others not listed. The competencies may be used as a guide to establishing service management courses or used as an objectives itemization for training preparation. Please review additional information for professional service managers provided by ETA[®] International, PSA[®] and C-CSC[®] associations.

1.0 Managerial Responsibilities and Objectives

- 1.1 Describe qualifications of a service manager that are different than those of a service technician, sales or marketing employee in a service firm
- 1.2 Define organizational structure and the roles a service manager might play within the organizational structure of a Hierarchical versus Flat organization
- 1.3 List five Personnel Management skills required of a shop service manager
- 1.4 List traits the manager needs in order to deal with an employee's personal problems
- 1.5 Explain the function of a 'company policies' handbook
- 1.6 Compare interdepartmental cooperation in a company with departmental friction
- 1.7 Describe good public relations skills and their value for a service business
- 1.8 Explain financial management instruments and analysis skills required of the service manager
- 1.9 Describe examples of both excellent versus poor resource usage in a service department

2.0 Staff Integrity, Morals, and Ethics

- 2.1 Summarize attributes that constitute the public's perception of a high integrity company and explain how this is a benefit
- 2.2 Describe examples of good and bad manager ethics as they apply to customers and to company employees including sexual harassment prevention
- 2.3 Present good and bad employee ethics examples and the benefits and harm of each
- 2.4 Explain the importance of good labor relations as it pertains to profits

3.0 Personnel Profiles and Job Descriptions

- 3.1 Describe the benefits of written job descriptions, responsibilities and expectations
- 3.2 Compare giving a new employee an orientation program versus having no program
- 3.3 Explain the benefits of having a company policy handbook, posting written policies and providing new employees with the purposes of each
- 3.4 Define interpersonal relationships between employees and management

4.0 Team Building and Goal Setting

- 4.1 Explain the benefits of work area responsibilities for individuals
- 4.2 Construct lists of goals, milestones and expectations that employees on entry, journeyman, and team leader levels might be expected to align with as they relate to strategic planning processes within an organization
- 4.3 Explain how delegation of duties improves efficiency in the workplace
- 4.4 Describe how employee cooperation, involvement in strategic planning decisions and risk mitigation processes can improve morale and lead to more efficiency
- 4.5 Explain how involving employees and management together in the implementation of action and efficiency plans can be beneficial to all
- 4.6 Describe how think tanks work and give an example of a think tank session positive result

- 4.7 List the benefits of establishing and revisiting goals, milestones, expectations and risk mitigation plans for both the company and individual employees
- 4.8 Explain how company pride by the employees can be beneficial

5.0 Employee Motivation

- 5.1 Explain motivational benefits of employee – ownership plans
- 5.2 Explain motivational benefits of a servant leadership model
- 5.3 Describe how motivation techniques that work with one employee may not with another
- 5.4 List commonly perceived personality types and describe major traits of each
- 5.5 Explain how coaching employees pays off in loyalty and work ethic
- 5.6 List reasons why counseling of employees is beneficial to morale
- 5.7 List ways companies have dealt with chronic injury / sickness prone employees
- 5.8 Explain why measurement and feedback from employees is necessary
- 5.9 Explain how semi-annual or annual employee performance reviews can be used to:
 - 5.9.1 identify an employee's performance within the organization
 - 5.9.2 provide positive feedback
 - 5.9.3 keep employees more focused on goals and objectives

6.0 Training and Company Meetings

- 6.1 Explain why staff training is needed
- 6.2 Compare probable results of a company with an employee training plan to one that has no planning
 - 6.2.1 Describe a schedule for employee technical or business advancement
- 6.3 Explain how employee participation in planning and training is beneficial
- 6.4 List items which progress reports can uncover that can lead to improvements
- 6.5 List ways technicians can receive training on new products and techniques
- 6.6 Explain how product, accessories, and service sales can be increased if employees are motivated by management to support each of these areas
- 6.7 Describe how to manage a companywide or office wide meeting

7.0 Hiring and Employment Laws

- 7.1 Explain the purposes of equal employment and anti–discrimination laws
- 7.2 List job solicitation practices that must be followed
- 7.3 Explain trial (probationary) periods and the reasons for having them
- 7.4 List legal hiring practices that have been shown to avoid pitfalls when seeking new employees
- 7.5 Identify the importance of background checks and drug testing and how to conduct them
- 7.6 Explain how government and commercial employment agencies work and how a company may benefit from either

8.0 Employee Compensation Systems

- 8.1 Explain why hourly employee pay is preferred in some businesses over other forms of compensation
- 8.2 Explain the term “contract labor” and show how it could be used in a service business
- 8.3 Describe the benefits of commission based compensation
- 8.4 Describe the benefits of salary based compensation
- 8.5 Explain how profit sharing can be beneficial to a company
- 8.6 Explain the motivational aspects of stock options

9.0 Customer Relations, Policies and Skills

- 9.1 Describe customer relations examples between management / customers and between employees / customers
- 9.2 List customer sensitivities that employees should be made aware
- 9.3 Describe how customer emotions can be beneficial or detrimental to a company
 - 9.3.1 List examples of how customers show appreciation to a company
 - 9.3.2 List examples of customers abusing employees
- 9.4 Explain how customer criticism can be beneficial to the company
- 9.5 Explain how company employees should be alert to customer personal problems
- 9.6 List personal hygiene habits that are detrimental to the company
- 9.7 List positive dress code examples and why negative dress can affect customers
- 9.8 List ways to show respect for customer time, property and values
- 9.9 List reasons a conflict resolution policy statement is beneficial to a company
- 9.10 Describe both good and bad conflict reduction policies a company may have
- 9.11 Compare a constructive versus an ineffective solution to a customer problem
- 9.12 Present examples of telephone image building and tarnishing
- 9.13 Explain how automated telephone answering systems can:
 - 9.13.1 be efficiency generators
 - 9.13.2 negatively affect customer relations
- 9.14 Explain importance of answering indirect customer contacts timely and efficiently:
 - 9.14.1 mail
 - 9.14.2 email
 - 9.14.3 social media
- 9.15 Describe how technician availability and communications with customers can build company loyalty

10.0 Service Policies, Procedures and Contract Negotiation

- 10.1 Describe why the documentation by employees of payment verification, necessary warranty information, etc. is important
- 10.2 Explain why out of warranty estimate policies must be in writing, clearly defined and posted at the time of service
- 10.3 Explain how policies for escalation repair or problem prevention can be profitable for both customers and the company
- 10.4 Explain contract liability limitations and protections
- 10.5 Explain how parts handling allowances are commonly included in contracts
- 10.6 Describe contract cancellation policies and how they affect the service department
- 10.7 Explain the philosophy of seeking long-term profits from warranty work/contracts
 - 10.7.1 Explain the positive and negative aspects of servicing or incentive programs

11.0 Service and Production Area Development

- 11.1 List ways employees can have easy access to service information
- 11.2 Explain how the service manager can improve access to technical assistance
- 11.3 Compare a service business that uses both its own and outside repair-fix database sources with one that does not.
- 11.4 Explain how the layout of a service business can increase the efficient flow of work and improve repair department profit and morale
- 11.5 List ways computer digitization can improve efficiency of a service operation
- 11.6 Explain how proper placement of technicians can improve efficiency
- 11.7 List steps for managing difficult repair problems
- 11.8 Describe scheduling inefficiencies and possible ways to avoid them
- 11.9 Describe ways the non-technical staff can support the technical service department

12.0 Test Equipment Needs and Procurement

- 12.1 Explain cost versus return on investment (ROI) of test equipment, tools and facilities
- 12.2 Compare sourcing of test equipment – new or used
- 12.3 Explain how quality/complexity versus price should be rationalized and explained
- 12.4 Calculate test equipment use versus cost valuation while factoring in technician time
- 12.5 Calculate costs of test equipment ownership, ordering single use or rentals based upon individual or company wide needs

13.0 Financial Management

13.1 Pricing

- 13.1.1 List competitive factors most service businesses face
- 13.1.2 Compare the philosophy of low/high pricing of services versus competitors
- 13.1.3 List factors that may affect decisions regarding price versus profitability
- 13.1.4 Describe a logical method of pricing labor
- 13.1.5 Explain the pricing of parts including how delivery and inventory costs apply
- 13.1.6 Present an example of cost effectiveness as it applies to servicing of products that may be valued too low or be too costly to repair

13.2 Money Management

- 13.2.1 Explain psychological benefits of using printed pricing guides and systems
- 13.2.2 Explain the importance of customer invoices and billing protocol
- 13.2.3 Describe ROI and how it differs from business profit
- 13.2.4 List ways service companies can avoid bad credit practices
- 13.2.5 List the process of recovering or writing off bad debts

13.3 Financial Statements

- 13.3.1 Explain the difference between the Profit & Loss statement and Balance sheet
- 13.3.2 Explain the function and major segments of the business Balance sheet
- 13.3.3 Explain how a Cash Flow statement can be a worthy management tool
- 13.3.4 List important business ratios and show how they can be used to avoid financial problems (burden, costs, profit, ROI, depreciation)
- 13.3.5 Compare accrual and cash accounting systems and list benefits
- 13.3.6 Describe common taxes that service businesses are subjected

13.4 Labor Management

- 13.4.1 Calculate productivity for individual employees and a service department as a whole including documenting employee expenses

14.0 Parts Department Management and Logistics

- 14.1 List ways parts departments can impede efficiency
- 14.2 Explain factors that may affect pricing of major components and parts
- 14.3 List benefits of maintaining a running parts costs/income ratio
- 14.4 Explain the difficulties and potential problems in repair parts inventories
- 14.5 Explain “Just in Time Inventory”, anticipatory supply, and predictive maintenance
- 14.6 Explain the term “shrinkage” and methods of reducing it
- 14.7 Describe individual inventories and inventory management by employees
- 14.8 Explain the philosophy of larger small parts margins (increase in Fill-Rate)
- 14.9 Explain how the valuation of parts and supplies changes with time

15.0 Warranties and Liability Risk

- 15.1 Explain how calculating warranty service profit or loss should be separated from demand service
- 15.2 Explain how choosing profitable warranty work and denying unprofitable warranty work is an important part of service management
- 15.3 Explain why not updating warranty repair payment schedules can be a major profitability loss item in a service department

- 15.4 Describe the science of handling warranty parts in order to avoid or reduce warranty service losses
- 15.5 Explain why periodic analysis of warranty contracts is a major service department function
- 15.6 Describe how offering service contracts to customers can be a profitable segment of the service department

16.0 Vehicle Procurement and Maintenance

- 16.1 Describe vehicle use instruction for operators and passengers
 - 16.1.1 Describe why training in the use of service vehicles is appropriate
 - 16.1.2 Explain insurance requirements including liability and vehicle contents
- 16.2 Describe maintenance and security issues of service vehicles
- 16.3 Present a case where renting is preferable to leasing service vehicles
- 16.4 List common problems with service vehicle inventory management
- 16.5 Explain special care procedures for tools and test equipment in vehicles
- 16.6 Explain methods used to improve shelves, racks, tool boxes and security
- 16.7 Explain the efficiencies and cost effectiveness of vehicle communications equipment
- 16.8 Compare benefits and problems with personal use policies for company vehicles

17.0 Certifications, Licensing and Association Membership Involvement

- 17.1 Describe benefits of business certifications – CSC, BBB, etc., (see 20.1 competency)
- 17.2 Identify the benefits and limitations of a manufacturer as a certification source
- 17.3 Explain the value of technician certifications (CET, CSM, etc.) to the company
- 17.4 List benefits of staff personnel certifications – CSS, CSM, etc.
- 17.5 Describe local, state or federal licenses service businesses may need
- 17.6 List benefits of business or technical association membership
 - 17.6.1 Describe how associations provide business and technical assistance
 - 17.6.2 Explain how employees can learn leadership training by participating in associations
 - 17.6.3 Explain the value of association-provided industry statistics and averages
- 17.7 List benefits of participation at seminars and tradeshow
- 17.8 Describe benefits of peer-to-peer networking in person and via social networks

18.0 Advertising and Marketing

- 18.1 Define company “advertising”
- 18.2 Explain the difference between advertising and marketing
- 18.3 Explain how the service department should be involved in advertising and marketing
- 18.4 Compare good service department signage and visibility with poor examples
- 18.5 Explain service advertising methods and advantages of each
- 18.6 Explain the marketing benefits of company websites
 - 18.6.1 Describe additional social media marketing
 - 18.6.2 Explain how App-based marketing differs from the above
- 18.7 Describe referral based advertising including:
 - 18.7.1 business reciprocal referrals
 - 18.7.2 “find a business” websites
 - 18.7.3 online reviews
 - 18.7.4 professional associations
 - 18.7.5 industry trade shows
- 18.8 Compare good versus poor business identification methods
- 18.9 Explain the importance of professionally printed material including:
 - 18.9.1 letterhead
 - 18.9.2 business cards
 - 18.9.3 estimate sheets
 - 18.9.4 job tickets

18.9.5 invoices

18.10 Explain the value of company policy or product description sheets for customers

19.0 Legal Responsibilities

19.1 List common potential liability problems for service businesses

19.2 Explain the purpose of Workman's Compensation & Unemployment Insurance and describe the costs to a service business

19.3 Describe how and why legal counsel may be required

19.4 List some governmental regulations for service businesses

19.5 Explain how national technology and "arms regulations" may affect providing services to foreign nationals (ITAR)

19.6 Explain how specific industry rules are often required for service businesses

19.7 Explain how contract labor use in a service business could be affected by local and federal accounting laws

19.8 Describe how and why a small claims court is often used by service businesses

20.0 Quality and Safety Systems

20.1 Describe the Certified Service Center (CSC) program and how it is beneficial to an individual shop and to the profession as a whole

20.2 Explain the purpose and value of the ISO 9001 and 14001 standards to a service business

20.3 Describe self-defined systems for constant improvement and the philosophy of utilization

20.4 Describe occupational, safety and health record keeping compliance procedures that may be required by federal and local governments

20.5 Compare good and bad business environmental practices

20.6 Describe service site safety practices

20.7 Explain out of vehicle safety hazards service technicians may face

20.8 Describe criminal hazards a business or technician on-the-job may face

21.0 Security Requirements

21.1 Explain common security hazards a service business may face

21.2 List common casualty hazards businesses face

21.3 Explain special potential security hazards service vehicles may face

21.4 List internal theft potential and ways to mitigate it

21.5 Identify individual computer, networking, database, and communication security needs

21.6 Describe cybersecurity procedures used to protect computers, networks, communications and data

21.7 Describe information technology security procedures for protecting individuals' private and personal information

21.8 Describe video security systems / cameras / recorders and how businesses use them

22.0 Project Management

22.1 Explain the purpose in clearly defining the project

22.2 Explain why specific delegation of leadership is important

22.3 Describe how staffing needs for a project may be determined

22.4 Describe why orientation of the team is important

22.5 Compare a project that has ongoing progress and results measuring to a project that has neither of these

22.6 Explain how a service manager might overcome risks involved in a project's completion

(End of Certified Service Manager Competencies)

Find An ETA Test Site:

<http://www.eta-i.org/testing.html>

Suggested Additional Study Material and Resources:

Business Management Skills Workbook; Mike Holt; ISBN 978-1932685251; Mike Holt Publishing; 2007; pp.243; \$50. Available: ETA at 800-288-3824 or www.eta-i.org or www.mikeholt.com

The Customer Service Specialist Study Guide, 5E, 2nd Printing; ETA members and staff; ISBN 1-891749-08-0; ETA® International; 2015; \$30. Available: ETA at 800-288-3824 or www.eta-i.org

Professional Service Association: <http://psaworld.com/>

The Consortium of Certified Service Centers: <http://www.c-csc.org/CSC/index.html>

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