

The Loose Screw

July 29, 2009

Upcoming Ohio Valley NARI Events

This year's Ohio Valley NARI's **Annual Golf Outing** promises to be bigger and better than ever before! We have partnered with NKBA to bring you an event of networking, camaraderie and good golfing enjoyment. There will be prizes, raffles and much, much more. Thursday August 13th at the Glenview Golf Course is the place, 9:30am. registration is the time. We will Tee Off at 10:00am. There will be Lunch, Drinks, Dinner and good old fashioned fun to be had by all. Bring a friend, a customer a spouse or all 3; just don't miss out on the day! RSVP to at www.naricincinnati.org or call 1-800-498-NARI today. **Sponsorships are also still available!**

The Ohio Valley 2009-2010 CRG

We are finalizing all changes and updates to the upcoming Consumer's Remodeling Guide. Be sure to get you profile updates and advertising requests in by August 1, 2009. Many emails and postage reminders have been sent and we still have only about a 20% response. Please update you information as soon as possible and don't miss out on this year's **advertising opportunities!** Call 1-800-498-NARI for more information.

Why Enter the CotY Awards?

Publicity

Winning a local, regional or national CotY Award or a NARI Achievement Award gives you great reason to reach out to your local media and remind them of your superiority in the marketplace.

Raise Awareness Among Your Current and Prospective Clients

Remind your current and past clients how good you are at your profession by notifying them of your award. Include award information in your sales calls to increase credibility with prospective clients, and feature photos of your winning project at local home shows.

Raise Awareness Among Industry Leaders

Get your company and your project in front of hundreds of industry leaders at NARI's annual Evening of Excellence™.

Boost Morale In Your Company

Winning a CotY Award or a NARI Achievement Award gives everyone in your company a sense of pride in what they helped

COTY Awards

[Entry Request Form](#)

[2010 NARI National CotY Awards Program Rules and Forms](#)

Information for the Local CotY's is in progress...watch for updates!

Watching the time impresses clients

To Neil Parsons, of Mark of Excellence Remodeling in West Long Branch, N.J., respecting your client's time is important. After careful research from a select group of clients, friends and family, Parsons developed his top five complaint list.

"We wanted to develop a complaint list to recognize certain things that were of biggest concern and figure out how to overcome them in order to set ourselves apart from our competitors," Parsons says.

The list consisted of cleanliness of the job site, pricing, surprise extras or changes, payment scheduling and finally, the No. 1 client complaint of time. More specifically, the complaint included being on time for the work day and having the project finished on or before the estimated completion date.

Parsons understands why scheduling and timing is the main client concern. A remodel is typically considered a major inconvenience and requires a major change in one's lifestyle.

"When you tell your client that the project will be completed by a certain date, they mentally prepare themselves for that time frame," he says, "almost to the point where people ask themselves, 'Could I live without a kitchen for five weeks?'"

If the answer is yes, then the client prepares themselves for the struggle. When projects run late, it can be very hard to take.

"If you get half-way through the project and it is not on schedule, clients get upset because they were not expecting it," he says.

An offer they can't refuse

Parsons started to think about ways to address this issue that would make the most sense for the company and the client. He is a homeowner, just like his clients, and could understand this concern just as well as anyone else.

"I sat on the other side of the table and began to think about my wife, who happens to be a very tough client, and what she would want to hear from a contractor," Parson says.

The end result is the On-Time Completion Policy, where Mark of Excellence Remodeling promises to pay clients \$500 per day for every day the project is not finished by the estimated date. In addition, the company pays \$1 for every minute an employee is late to a meeting.

So far, the policy is working, and the client reaction has been great, in part because money talks.

"This not only sets the tone in regards to the client's time but to the entire process that we are going to take the project seriously until the end," Parsons says.

Here is how it works: After clients and the sales department agree on the job and the design, Parsons asks everyone who is contributing to the project how long their portion of the project will take to complete. Once the estimations are confirmed, the project leader works out the scheduling.

"I do factor in a few bad weather and sick days, but for the most part, we know how long something is going to take," Parsons says. "Where it starts to get sticky is when clients start to change orders."

To avoid the conflict, Parsons requires clients to make 90 percent of the project decisions before work starts. If some decisions can't be made at that time, there is an agreed upon deadline for when decisions are made. If a client's decision changes during the project, Parson's makes a note of it in the project records, and it is pushed back the completion date.

"We don't pay clients \$500 per day if their responsible for the delay, but we do pay clients \$500 a day for delays that are in our control," Parsons says.

In the event that the project is delayed, the money is extracted from employee bonuses, which are based on a percentage of the project's profits. These bonuses are only granted if the job is done on time and on budget. Otherwise, the bonus money goes to the client.

An argument against a system like this is that it could decrease the quality of work because employees are rushing to complete the project. Parsons has found ways to prevent this.

"We have weekly progress updates with the clients where we discuss the work and the scheduling," he says. He also established a 13-period payment plan to allow customers to give feedback throughout the project.

"Essentially, if our customers have an issue with the work quality, they will probably hold their payment. That forces us to address issues right away," Parsons says.

Although most clients are mindful of the \$500 bonus, they don't use it as a way to get a free remodel, they leverage it as a way to control the work that is being done because they know that the project manager will be held accountable for time, budget and quality.

Parsons notices that clients appreciate the ability to exercise their control during the process by holding back a payment. They also appreciate Parson's concern for their home, families and their quality of life during the project and after.

You better pay up!

So, how much money has Parson's had to pay? "The most money we've had to pay was \$1,500 for a three-day extension, but it was a \$120,000 job."

Of course, with a project that size, Parsons has a greater risk of running into problems so in retrospect, three days is not too bad. For employees, it is enough money to motivate them to get their work done on time.

For the project leaders who arrive late to meetings, they better be prepared to pay cash!

Go Green with NARI

Green remodeling is one of the hottest (and hotly debated) topics in the industry. The National Association of the Remodeling Industry (NARI) has rolled out a green remodeling education course. NARI's green remodeling course is multi-faceted, focusing on energy efficiency and conservation, indoor air quality, efficient use of resources, recycling of demolition material and renewable energy sources, among other topics. The program will run for 12 weeks with a 2-hour class weekly. Each class will address specific topics such as building science application, green remodeling guidelines, solar applications, appliance selection and marketing a green business.

Next Green Education Courses

This class can be the first step in moving your company into the business of green remodeling. The course is designed to provide you with a solid foundation in Green Remodeling and allow you to start practicing today.

The primary texts will be included as part of the course materials along with a CD-ROM that contains links to additional references and resource materials as well as links to green product suppliers. The cost of this course will be \$495 for NARI Members and \$695 for Non-Members. Course size will be limited to 22 people to enable active participation by all attendees. All applications should be faxed or mailed to the NARI office: NARI, 780 Lee St., Suite 200, Des Plaines, IL 60016, Fax (847) 298-9225.

Registration is now open!

August 20, 2009

September 15, 2009

[Click here](#) to download an application.

Lead “Renovate Right” Pamphlet

It has been brought to our attention that many members have run out of the “Renovate Right” booklets that the EPA has produced and required to be handed out at the beginning of each remodel. Ohio Valley NARI will be placing an order for these booklets and will have them available at a discounted rate. The EPA charges Business Owners \$1.75/book in groups of 50. Association members will have the publications available for the rate of \$1.00/each. Please forward all orders to: info@naridayton.org. This publication is also downloadable from the EPA site at: <http://www.epa.gov/lead/pubs/renovaterightbrochure.pdf>.

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