

THE ACADEMY OF ELECTRICAL CONTRACTING

Paper presented by

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"A Time For Checking Up..."
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"A TIME FOR CHECKING UP..."

A realistic look at the nature of today's Electrical Contracting customer, what he regards as competitive electrical contracting service, what factors influence the image he has of his firm, and some measures by which a firm can tell whether or not it is meeting its customers' service requirements in an effective manner.

A friend of mine tells a story about an unusually good handyman. The story seems rather appropriate to the thoughts I would like briefly to share with you.

It seems this handman whose name we shall say was Henry Brown, had a very good business following in his community. He was a whiz at minor plumbing repairs, was a good hand at various types of carpentry, could replace broken windows, hang doors, trim shrubbery to look as if it were sculptured, and was fair to middling (a good Southern expression) at gardening and general yard work.

As word of Henry's virtues spread in the community and the demand for his services increased, the inevitable occurred. More handymen emerged in the neighborhood.

One afternoon immediately after finishing a job for one of his long-time customers, Henry was observed walking three blocks down the street to the telephone booth near the corner. He lifted the receiver, placed a dime in the slot, and, following the dial tone, dialed the number of the residence he had just come from. This, reputedly, is the conversation that transpired:

"Hello, is this the Jones' residence?"

"Yes, it is!"

"Is this Mrs. Jones?"

"Yes!"

"Mrs. Jones, do you have a handman named Henry Brown?"

"Why, yes, we do."

"I'd like some information on him. Is he any good?"

"Yes, he's very good."

"Is he good at all kinds of work, or just some? And, is he lazy?"

"Well, we certainly don't have any complaints. Henry Brown is good at repairing about any type of equipment; he is a carpenter of some ability and he is dependable, very dependable in fact; he certainly is not lazy."

"Are you planning on keeping him?"

"Well, we certainly are; your voice sounds very familiar, who are you?"

"Mrs. Jones, this is Henry!"

"Why, Henry Brown, what in the world are you doing calling me like this on the telephone?"

"There's a bunch of people getting in my business now, Mrs. Jones, and I'm just checking up on myself!"

Henry Brown had a good idea. And there's no better time than now for each of us in electrical contracting to do "a little checking up on ourselves." No better time than now to take a fresh look at the quality of service we are giving to our customers. We also have "A bunch of new people getting into our business now" (as well as some new aggressiveness on the part of many who have been in it -- or on the edge of it -- for some time).

So, for the next 10 minutes, I would like to address my remarks to the "subject" of Henry Brown's telephone call. Because in electrical contracting, and particularly in a smaller town with a smaller company, it is also a "time for checking up... on ourselves."

Let's review:

- . The type of customer we are dealing with today.
- . What he expects in the way of service from his electrical contractor.
- . How he forms his image of his electrical contractor.
- . And, whether we are competitively meeting his service requirements; whether we are sufficiently committed to measure up effectively in the marketplace.

The type of customer we are dealing with today is not the same individual who, 10 years ago, paused momentarily outside the doorways before entering our facilities. Let's see how he's different, what makes him this way and what impact his change has on the way we do business.

. Today's customer is much better educated than the customer of five years ago, far better educated and sophisticated than his counterpart of 10 years ago.

He is far more demanding. There is little that is awe-inspiring left in the electrical work performed today. Today's customer knows he is much more important to his Electrical Contractor's net operating earnings than he was 10 years ago. He will not wait long for someone to ask 18 to 20 questions on what he wants done, at least, he will not wait more than once. He will not wait patiently for 2 or 3 weeks or more because our company is too under staffed for a competitive level of service.

. He is becoming more of a shopper. He wants to know what the charges are for our labor and why they are that high. He is equally interested in materials and supplies and is becoming more and more aware of comparable services rendered by our competitors.

. He is much less loyal. He knows there are other Electrical Contractors that are competitive and qualified non-union companies who want his business. And, he no longer has the hesitancy he was once purported to have about splitting his business.

. He is more sensitive to how he is treated. From a service standpoint, straight-backed chairs and no cushions won't do it anymore; sitting out in the open won't do it anymore. Our facilities must be neat and presentable; the people that service our customers must have the courtesy and finesse that marks the professional.

. He is far more vocal than he was 10 years ago. Today, everyone is aware of our tremendous electrical needs, and through modern media such as TV, every one is aware of the available services rendered and supplied through the use of electrical energy; therefore, he is expecting each electrician to be an expert and to give super service.

Let me emphasize that I see none of the foregoing statements about today's customer as negative, as unfair on his part, or as unchangeable. They are so only if we as contractors are unwilling to recognize these changes in our customers and to change ourselves in order to cope with the new competitive environment.

What is today's customer look for in the way of service from his electrical contractor?

. Today's customer wants to deal with people who "know their jobs." He is not interested in dealing with people who can merely install fuses and provide materials. Today's customer wants to deal with officers, estimators, engineers, electricians, and customer service representatives who know and understand the various services of the company. He wants to deal with individuals who can explain service features, benefits, charges, fees and rates in a clear concise way. And he wants people who discuss these subjects in a confident manner and yet in a way that neither makes him hesitant about posing future questions nor confused by the nature of the answers given.

Quite obviously, it is critical that an engineer or foreman, for example, know your company's internal operational procedures. However, if operational knowledge and proficiency are the sole elements in "knowing your job" in your company (and, if your merit system is primarily built on performance in this area alone), you will develop electricians who are rather mechanical and impersonal in the performance of their duties, and who transmit this image consistently to your retail customers. An overly high concentration on the operational side can only lead to "assembly-line work," with customers being more or less arithmetically shunted in and out of your company as rapidly as possible.

There are two other equally important areas of "knowing your job": one is consistently high performance in relating to customers in a warm and friendly way (customer relations if you will); and the other is consistently high performance in sales, in recognizing customer needs for additional services and effectively suggesting these services so as to cause the customer to open additional work that will be helpful to him and profitable to the contractor.

Today's customer wants to deal with people "who make him feel like a person," like the individual he is rather than just another customer or another number. When he comes into your office or place of business, he wants to feel welcome. He wants to feel -- as he very properly deserves to feel -- a sense of personal importance. He wants to feel that his problem or job, no matter how large or small, is sincerely and genuinely appreciated. And probably most of all, he wants to feel at ease; he wants to feel comfortable in dealing with the people there and in handling whatever business he came to transact.

He is not going to feel welcome if your people fail to look up from their desks and recognize him when he knows full well they saw him enter the lobby. He is not going to feel welcome if one of your employees greets the two customers before him in line by name but fails to use his name.

He is not going to feel important if he is "abruptly" told that he'll have to fill out his own material list and step aside so that other customers may be waited on; we need to encourage customers to give us the right information, but this must be handled diplomatically.

He is not going to feel his business is appreciated unless we really appreciate it and tell him so. Old fashioned appreciation has not gone out of style, just out of mind and out of practice. We need to thank him sincerely for his order, thank him for buying from us, thank him for using our products, thank him for employing our electricians, thank him for stopping by.

He is not going to feel at ease when he approaches an engineer's or estimator's desk if the person doesn't get up from the chair, greet him pleasantly, extend a hand and offer him a chair. He is not going to feel at ease if a customer

service representative spins a signature card around to him, drops a ballpoint pen on top of it and says "sign there where the check marks are; don't write anywhere else or you'll have to fill out another one".

We in the contracting business must do a more effective job in recruiting contact personnel who have a natural inclination toward customer relations and sales. Then we must institute professional level training to sharpen human skills in this area; we must provide the supervision, audit, and reward appropriate to the motivation of our contact staff toward consistently high performance in these areas.

. Today's customer wants to deal with people who have some concern for him other than the fact that he's a customer. He likes to have an engineer or customer service representative express sincere interest in how he was taken care of when he used the services of another department of our company. Customers appreciate your interest in how they like your new method of invoicing, your new computer account statement, a new service you have just introduced, the new format of your NECA Quotation Forms. When a customer fails to show up on his regular buying pattern, he likes to be told that you missed him. When a customer tells you he's had an illness in the family, he likes you to express personal interest and concern.

Your customer's image of your company is formed primarily through his contacts with your officers and staff. These two groups have more influence, either for good or bad, on your image than any other single force. And yet, your personnel are but one of a dozen factors that help shape the image of your organization in the mind of today's customer.

How does today's customer form his image of his
Electrical Contractor?

Let's review each factor briefly and pose some questions you may want to answer mentally as they apply to your company.

1. Personnel and Service -- is your service consistently of high quality? Are your contact people skilled in operations, customer relations, and sales? Do your electricians, engineers, and inside people exhibit a genuine desire to be of help to all customers?
2. Services -- does your company have a reasonably complete line of electrical services? Have your services been analyzed competitively in the past three years in terms of needed changes and features or new options and benefits?
3. Marketing -- is your organization aggressive or complacent? Have you established written corporate growth objectives, marketing objectives, and a marketing plan backed by action programs? Do you concentrate on results rather than activity and on profit rather than volume?
4. Pricing Structure -- are the prices of your services based on accurate knowledge of your costs plus a fair markup? Is your pricing oriented to attracting business you can serve at a profit or just attracting business?
5. Facilities -- is your company or (in the event of branch offices), are your facilities modern, attractive and appealing? Do you regularly audit your facilities (and the surrounding grounds) from the standpoint of cleanliness, attractiveness, and convenience?

6. Policies -- are your company's policies well known throughout your organization? Are they clear and easily explainable? Are they established on the basis of long-term growth, profitability and equity?
7. Procedures -- are your procedures complementary to, or conflicting with, your policies? Are your procedures understood, supported and readily available in manual form to those members of your staff who must regularly discuss them with customers?
8. Advertising -- does your advertising reflect and support your corporate growth and marketing objectives? Does it consistently present a clear and appealing image to your public? Is your advertising interesting, attractively portrayed and accurate?
9. Publicity -- are the news releases generated by your company favorable in nature? Are your releases human-interest oriented so as to reflect warmth, or are they restricted primarily to bidding jobs, contract awards, etc.
10. Community Involvement -- is your company playing an active but selective role in those activities that will better your community? Are your officers and staff members fairly well represented in a broad range of community projects, or do a few individuals dominate your participation?
11. Early History -- you may have problems of image stemming from your company's past history. Some of these will only fade with time. Others are correctable. Do you know what your firm's image is in your market, and are you taking planned action to correct any negative aspects of your image?

12. Competitors -- what are the answers to the questions in the foregoing 11 areas when applied to your competitors? How well do they score comparatively?

Directly and indirectly, today's customer composes and changes his image of your firm through his impressions. Unless we recognize this fact and properly address each of these 12 areas at the management level, we are leaving our image up to chance or subject to competitive action. Neither course reflects sound management principles.

Are we competitively meeting the service expectations of today's customer? Are we sufficiently committed to this objective to measure up in the marketplace?

The answer to the first part of that question is probably "no"; at least, not as consistently as we should. And this is true even for those of us who are committed to marketing, to being more customer-oriented, and who are determined to provide a high level of quality service.

The answer to the second part of that question must be addressed personally by the management of every NECA contractor. Neither of these goals will be achieved by chance, by circumstances or by doing what comes naturally. Instead, these objectives require determined, consistent management action.

Most companies deserve the image their customers and prospects have of them. Each of us can have the image, and the

customer following we desire if we have sufficient personal commitment to the providing of quality service to today's changing electrical needs, and if we have the necessary marketing professionalism effectively to communicate that favorable image.

Henry Brown was right. It is "a time for checking up." It is also a time for action, for all of us in the electrical contracting business.

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