

Nugget of the Month: *Improving Your Business* *Listening with Awareness*

In Part III of our article on Customer Service, we turn our attention to listening, and doing so with awareness. Everyone wants to be heard, and when your clients have something to say, there is the act of hearing and the act of listening. The former is a passive attempt, while the latter involves a subtle participation.

In the same way that we explained speaking involves two aspects of transmission, verbal and nonverbal, when understanding our clients and their needs, we need to remember that listening includes interpreting those same aspects.

When listening to your client, try not to read into an action or tone of voice, as this may be an inaccurate cue to what they are really trying to convey. Take the time to listen to the words that are being spoken. Ask questions when you are not clear about what they are saying, and give feedback to your client. Confirm their message by restating in your own words what you understand they said. Doing so alleviates any misinterpretations.

Remember that words only convey part of the message. The actual words may not hold the true message, and the tone of voice may be a good indicator of what might be behind the message.

For instance, your client might say, "This may not be a big deal but..." Gauge this by saying, "I really want to know how important this is to you, so on a scale of one to ten, ten being very important, how would you rate this issue?" They might even say, "We have a little problem..." and depending on their tone of voice, it may be a bigger problem than they are really saying. If they say something like, "Would you clean up...?" Clarify with them that that is really all they are saying and not something more. In other words, ask questions and investigate their needs so there are no unmet expectations.



Also, don't assume that just because your client is not a remodel professional that you are all-knowing. Meeting them where they are will go a long way in keeping your lines of communication with your client open and friendly. Day dreaming is the same as not paying attention to what they are saying, so keep your focus and attention on the exchange at hand. And finally, try not to focus on the example your client might mention. A scenario might be: The client says there are messes around the house, like dust on their dining room table. You think that just by cleaning up the dust the issue is resolved, but their overall message is that things are generally messy. Listen carefully to what they are saying.

Keep in mind these final thoughts: Be polite. Be positive. Use show and tell by drawing a picture or showing them samples. Write down all of their input, and have a notebook with you whenever you speak with your client. This shows them that you are always paying attention. Return phone calls promptly. And secure a place for their literature / notes that they can use to refer to whenever they might have a question.

Next month we cover the last installment to our four-part series by discussing schedules and how it can be used to optimize your customer service potential.

This article is a continuation of last month's series about Customer Service based on a web seminar by Tim Faller, author of "The Lead Carpenter Handbook: The Complete Hands-On Guide to Successful Jobsite Management," and founder of Field Training Services, a firm that trains production staff in good job-site management and helps companies develop training programs for their field staff.

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Homebuyer Tax Credit Proposal: Economic Impact

Housing is central to the economic crisis that now affects the world economy. The declines in house prices, the surge in foreclosures, and the reduction in home building activity are historic in scope and have produced the most severe recession in generations. Policies that aim to improve the current economic environment must address conditions in the housing market.

Under normal conditions, housing accounts for 16 percent of the U.S. economy. Housing, and jobs and economic impacts created by home building and its downstream and related industries benefit every state, county, and congressional district in the United States. However, home building has suffered the worst and sharpest decline in production in over 60 years. The intensity of the housing decline varies across states with the most significant impacts concentrated in about 10 states.

Importantly, the loss in household wealth from home value declines and the continued decline in home prices with foreclosures rapidly increasing have left consumers with no confidence in buying a home. The weakened economy has added another nail in housing's coffin discouraging further home purchases. As a result, the U.S. economy has lost over 6 million jobs - 1 million jobs in housing construction and related fields alone - and housing inventories exceed 4 million homes.

Economic Impact of the Homebuyer Tax Credit

An effective measure to stimulate the housing market is the extension and expansion of the first-time homebuyer tax credit enacted in 2009. Such a move will strengthen housing demand and promote economic recovery. This would bring consumers back to the market, reduce inventories of unsold homes, and stabilize home values. NAHB supports a homebuyer tax credit extension that would:

- Extend the credit for home purchases through November 30, 2010
- Expand the credit to all buyers of principal residences
- Maintain the current \$8,000 maximum credit amount

NAHB economic analysis indicates that this proposed homebuyer tax credit will have the following economic benefits (all in the first year after enactment).

- Increases home purchases by 383,000
- Increases housing starts by 82,000
- Create nearly 350,000 jobs
- Generate \$16.1 billion in wages and salaries and \$12.1 billion in business income, and
- Yield tax revenues of \$8.4 billion for the federal government and \$3.2 billion for state and local governments.

The increased home purchases generated by this proposal will help soak up the excess supply and push house prices back in a positive direction. The economic stimulus created by established households moving into new homes, and the added construction necessary to answer demand where there is no excess supply generates the jobs, wages, salaries and business income and the tax revenues. As well, these economic impact estimates do not include the larger macroeconomic benefits that would result from the stabilization of housing prices and the housing market in general.

NAHB's economic impact estimates are determined using a model that estimates the direct increase in home purchases as a result of the tax credit, as well as estimates of the number of purchases facilitated by an existing homeowner who can buy a new home due to selling their existing home. The model also estimates the direct impact of consumer spending due to the tax credit amount itself, as well as the economic benefit associated with real estate transactions. We use the CBO estimate of 40% of the tax credit amount being dedicated to consumption of other goods. The remainder is dedicated to housing equity. Housing starts are calculated by netting out sales of excess, existing housing inventory and reductions in multifamily rental starts.

*** This analysis is from the National Association of Home Builders, Economics and Housing Policy Group, reported October 2009.*



Loveland Waives Building Permit Fees

From October 1, 2009 through December 31, 2009, City Council has waived building permit and plan check fees for work done on existing owner-occupied residences.

Remodeling, repairs, renovations or additions will still require a permit, but no permit or plan check fees will be charged for projects valued up to \$50,000. City Use & County Tax will still be collected. Savings could total \$1,000 or more.

This fee waiver is another way Loveland City Council is working to stimulate the local economy. Council hopes the savings will encourage homeowners to move forward with projects that result in sales of building materials and hiring of local contractors.

The fee waivers include all owner-occupied residences—houses, duplexes, condos, townhouses, etc.—for improvements such as basement finishes, decks, kitchen remodeling, porch enclosures, garages and other projects.

This press release is from the City of Loveland website (www.ci.loveland.co.us).