



Constellation HomeBuilder Systems

Phone: (888) 723-2222

Fax: (905) 943-6153

Email: sales@constellationhb.com

<http://www.constellationhb.com>

March 2008

Constellation *BLUEPRINT*

What's in a Name?

By Carol Smith

In a world of political correctness who would guess that something as seemingly innocent as calling warranty "customer care" could have negative repercussions? Certainly not companies striving to please customers. But builders should consider at least three points before naming their warranty department the customer care department.

Big Picture Implications

The old adage "Customer service is an attitude, not a department" applies. Having a department named "customer care" (or for that matter, "customer service") implies to the rest of a company's employees that customer service is the responsibility of the Customer Care staff.

Service responsibilities and skills should be part of every job description in the organization. Precise performance standards for service should be integrated throughout each step of the experience, should express the integrity of the company, and should impress customers with its energy and attention to details. While these goals are certainly appropriate targets for the warranty staff, sales, mortgage, selections, construction, and closing personnel should share the same objectives.

Homeowner Expectations

Customer care implies great flexibility—a nurturing, generous, almost limitless package of services. This subjectivity is built into the title customer care. Homeowners are likely to expect service based on their personal standards and wishes.

What actually follows in most cases is warranty service based on the company's limited warranty guidelines and practices. Many points are non-negotiable and measurable standards are often applied. This objective approach contrasts sharply with the implications of the friendly name. A soft name does not guarantee that homeowners will hold a high opinion of warranty service any more than a bouquet of flowers will convince a buyer that his home is complete when it is not.



Constellation HomeBuilder Systems

Phone: (888) 723-2222

Fax: (905) 943-6153

Email: sales@constellationhb.com

<http://www.constellationhb.com>

March 2008

“New Home Warranty Department” on the other hand implies a black and white set of repairs are available for a specified amount of time. Still, nothing in this name prohibits a builder from considering individual circumstances and making common sense exceptions when appropriate. Written warranty guidelines are a starting point—subject always to sound judgment.

More is gained if the builder retains control from the beginning instead of attempting to take control back from homeowners who expected “customer care”—not just warranty service. When a warranty office begins with black and white guidelines then makes appropriate exceptions, it can be a hero to many homeowners. Conversely, starting with an undefined “customer care” image often leads to hostile opinions from homeowners when warranty requests are denied.

Survey Savvy

Many satisfaction surveys include questions about customer care—intending to gather feedback about after move in services. Builders logically interpret responses to these questions as an evaluation of the warranty person or department.

Meanwhile, customers see a company’s service as a fluid component, coming from all personnel and all directions, flowing in and around the transaction from start to finish. Unless the questionnaire clearly identifies warranty service, the customers’ ratings may be a reflection of service from other departments: Phone calls not returned by sales? Pricing information slow to come from design? Lack of empathy from the field staff? Trade contractors eating lunch in their under-construction home?

Frustrated warranty personnel often lament low ratings from survey respondents who have never contacted the warranty office. Imagine the effect of this if those same warranty personnel work under an incentive program and this confusion is costing them bonus money.

Referring to warranty as “warranty” both on the organizational chart and in satisfaction questionnaires reduces the chances of such confusion and misinterpretation. Survey questions should ask customers to rate the service of each company function from sales through warranty. Feedback then provides more accurate indicators of where improvement is needed.

A rose is a rose is a rose . . . but “customer care” and “warranty service” are not interchangeable names.

About Carol Smith

Carol Smith offers customer service assessment, consulting, and training programs for home builders. For more information, visit www.cjsmithhomeaddress.com.