

DEVELOPING CUSTOMER SERVICE STANDARDS

MOBILITY MAGAZINE AUGUST 1989

by Daniel T. Bloom

Every time we turn around, we read about the importance of customer service standards to American industry. Nancy Austin, keynote speaker at last year's Spring Conference, provided us with examples of excellence in customer service. Ron Zemke recently wrote a book entitled, *THE SERVICE EDGE-101 COMPANIES THAT PROFIT FROM CUSTOMER CARE*, which gives examples of corporations with strong customer service orientations. The basic reason any business entity exists to acquire and maintain customers. In the case of the relocation industry, that customer is the transferee.

The purpose of the session was not to tell industry representatives in attendance that they had to use a set group of standards, but rather to lay some groundwork for further discussion on customer service standards. The three panel members: John Koebert, Real Estate Coordinator, Marriott Corporation; Marita Bruun, Vice President, Texas Commerce Bank, Houston, TX; and Geri Van Lent, Senior Vice President/ Relocation, HER Realtors, Inc. Columbus, Ohio, began the session by establishing a basic set of criteria that applied to all segments of the industry. These criteria consisted of dependability, communication, flexibility, and commitment.

Based on these criteria, panel members explained the service standards they set for themselves and their service providers.

CORPORATE VIEW

Koebert began with a description of the importance of customer service standards at Marriott. The Marriott Corporation was built on customer service standards and expects each and every one of its employees to provide customer service to Marriott's guests at a level that assures repeat business. In order to maintain that attitude, the relocation department is expected to provide top level customer service to transferring employees.

Koebert said he is responsible if something goes wrong in a relocation. In order to minimize the number of cases where things go wrong, Koebert expects his vendors to work under the same standards he does. This means that vendors must be dependable. Everything that is done in the industry has a deadline. Koebert expects those deadlines to be met.

Second, Koebert said, close communication is important. It is absolutely imperative that service providers keep their clients/customers attuned to anything going on in the marketplace that might affect the value of the transferee's property.

Third, Koebert pointed out, flexibility is important. The nature and stress levels of transferees require vendors and corporate representatives to be able to adjust, sometimes on the spur of the moment, to the particular circumstances and personalities involved in the relocation.

Finally, primary among the criteria that marriott uses to select its vendors is commitment to the relocation industry and to providing quality service to transferees and corporations in order to make things work as smoothly as possible.

RELOCATION COMPANY PERSPECTIVE

Bruun began by emphasizing the importance of stressing the positive present in any given relocation. This can be accomplished by working earnestly at building trust throughout the entire industry and by working as a cooperative team.

The first area that Bruun discussed was the effect of corporate policies on relocation. We all recognize that corporations develop policies based on various factors. How the policy is developed and delivered dictates how easy the move will be. Bruun recommended making an easy-to-read summary of the policy available to the transferee and family.

Second, Bruun said that it is important that the transferee get the process started early. She recommended that if corporate representatives know that the appraisals are going to take awhile to complete, they should provide the transferee a marketing assistance program so that he or she can get the home on the market in the mean time. This should increase the corporation's number of assigned sales.

One of the key problem areas Bruun identified was getting transferees to understand that they are responsible for putting the home in marketable condition. She recommended telling transferees that they need to put their home into a condition that is equal to the condition in which they would want to find a new home in the new location.

The transferee has to feel comfortable with the real estate broker, the appraiser, the mover, and the inspectors. The commitment of these vendors to service should be evident and communication should be open. The corporate contact can help by showing confidence in the vendors with which the corporation has chosen to work, said Bruun. Demonstrating this confidence will ease some of the stress felt by the transferee and his or her family during the relocation. Additionally, transferees should be made aware of the pitfalls of listing their homes with the local minister, aunt, uncle, or someone they met at the mall, just because they are in real estate. It is important that only vendors who understand relocation and its peculiarities be used.

Bruun stated that it is harder than ever to be a real estate broker. The real estate broker is required to be more than a salesperson. He or she also must be an educator, advisor, inspector, etc. Because of this, real estate brokers need to work on several areas to provide the service that the industry requires. First, the real estate brokers should not "buy" listings. If you tell a transferee that his or her home is worth between \$90,000 and \$100,000, it is a sure bet that the transferee will hear only \$100,000. With that in mind, the real estate broker must keep the corporation and the relocation companies informed of possible marketing strategies and market conditions that will affect the sale of the property.

One of the major areas of discussion today is the issue of agency, reported Bruun. It is imperative that the real estate broker and the relocation divisions remember who is the client.

The transferee generally does not pay the real estate commissions, so the real estate broker's duty is to the corporation or relocation company.

In summary, Bruun made an analogy to links in a chain. The first link is communication among all parties, The second link is trust and teamwork. The final link is the industry goal of making the transfer easy. Bruun concluded, "We are only as strong as our weakest link."

REAL ESTATE BROKER VIEW

Like the other panelists, Van lent stressed the need for cooperation and teamwork among all the segments of the industry. The real estate broker is confronted daily with individuals who are going through the third highest cause of stress in one's life. The real estate broker's goal is to provide the client with a positive, smooth move and yet have it be cost effective to the corporation. As the industry has evolved, real estate firms have become like supermarkets. In addition to marketing homes, real estate brokers have begun to offer a shopping list of services to the transferees.

One immediate result of this evolution, according to Van lent, is the proliferation of relocation departments within brokerages. As a result, clients expect to have one point of contact within the brokerage for all their business.

From the broker's point of view, the process is divided into two areas, said Van Lent. The first deals with home sales and begins when the broker completes the broker's price opinion (BPO). Van lent pointed out that how well that BPO is done is the key to how well the real estate brokers are viewed by both the corporation and the transferee. As the BPO is being done, the real estate broker can get into the pre-marketing of the home. The broker plays a big role in seeing that the home is realistically priced to get it sold. In the homesale arena, it is imperative that the broker know the corporate policy and what the corporation expects in the way of implementation, Van Lent said.

The second area of the real estate broker's services is homefinding. Van Lent described the expansion of the real estate industry into other areas besides just selling real estate. Some brokerages are getting involved in pre-purchase appraisals, rentals, spouse employment assistance, and child care assistance.

Van Lent reminded representatives from other segments of the industry that the typical transferee will tell the broker things that they would never tell the corporation. Therefore, the broker is in a better position to pinpoint the exact needs of the transferee, Van Lent commented.

The theme that ran through each presentation was the importance of communication and teamwork. All the segments of the industry are important in acquiring and maintaining the transferee as a customer. Good customer service will lead to positive, smooth moves and, at the same time, be cost effective.

SUGGESTED CUSTOMER SERVICE STANDARDS

Corporations

- ❖ Initial contact with the transferee within 24 hours of the initiation.
- ❖ Transferee is counseled regarding the entire process.
- ❖ Follow up at least once a week.
- ❖ Appraisals and BPO's ordered within 48 hours.
- ❖ Prepare benefit checklist for real estate broker, relocation company, etc.
- ❖ Offer made to transferee(if in-house program) within 21 days of initiation.
- ❖ Signed contracts returned to parties within 24 hours.

Relocation Companies

- ❖ Initial contact with the transferee within 24 hours of the initiation
- ❖ Transferee is counseled regarding the entire process.
- ❖ Follow up at least once a week.
- ❖ Appraisals and BPO's ordered within 48 hours.
- ❖ Real estate broker provided with policy checklist.
- ❖ Offer made to transferee within 21 days of initiation.
- ❖ Signed contracts returned to parties within 24 hours.

Real Estate Firms

- ❖ Initial contact with the transferee within 24 hours of initiation.
- ❖ Relocation packet sent within 24 hours of contacting transferee.
- ❖ Provide single point of contact.
- ❖ Transferee is counseled regarding entire process.
- ❖ Follow up on a frequent basis according to a defined schedule.
- ❖ Reports completed on time.

☛BPO report returned to client within five working days.

dan@dbaiconsulting.com

©1998 by Daniel Bloom and Associates, Inc. All rights reserved.