



Buyers On-Site

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As much as builders would prefer it, home buyers are unlikely to sign their purchase agreement, return to their current home, and wait for the builder's call: "Hello. Your new home is ready. Come on over and move in." The challenges of buyer site visits are well-known. Appropriate responses to those challenges are less well understood and opportunities to reduce problems may be overlooked by busy companies.

Many home buyers visit the job site regularly—in some cases, continuously. They do this for one or both of two reasons: excitement about the new home ("Is it done yet?") or lack of confidence in the builder ("Did you see *Dateline*? Boy, you've got to watch them every minute!").

The results of site visits can include home buyers who are delighted, those who ask questions, some who complain, and still others who interfere with work. Theft, injury, and even buyer installed items (speaker wire, for instance) may be less frequent but still occur from time to time.

Understandably, builders hope to avoid all but the delighted-home-buyer scenario. Many approaches to achieve this goal have been tried with minimal success. A builder's challenge is to balance control of their operations with empathy for their buyers' need to watch the home being built.

The task is further complicated by the reality that enforcement of site visit policies falls somewhere between somewhat difficult and utterly impossible. Expecting that simply telling home buyers about your site visit policies will prevent all related problems is naive. On-site personnel often express disbelief and frustration: "Hey, our policy is...so what are they doing out here?"

Hard to accept, but even a signed purchase agreement with a carefully worded site visit prohibition does not provide iron clad control of other adults. Home buyers often do as they please unless someone stops them. This is especially true when the product in question is a home—one the buyer owns emotionally and psychologically from the date of the contract if not before. Add the concern "What are they trying to hide?" and you have the site-visit dynamic.

The question then becomes, what are you willing or able to invest in managing site visit policies?

Experience shows that combining several procedures with education and training of your front line works best. Add appropriate administrative support from the office, and you have a comprehensive program. To pull the pieces together, begin by clarifying your positions on several essential aspects of site visits, taking into consideration the circumstances and market for each area where you build. These policy decisions form the basis for advising home buyers, training your personnel, and administrative back up.

Establish Site-Visit Practices

Under what circumstances are site visits most acceptable and least disruptive to your company? What is your company system for communicating with buyers and answering questions during construction? Do you

have procedures for responding to buyers who interfere with work on-site? Search for a combination of policy decisions that will allow you to balance among the—

- Resources you can invest in this effort.
- Requirements of your insurance coverage.
- Protections you need (no injuries, undocumented change requests, or interference with work).
- Benefits you seek—contented buyers whose questions are promptly responded to.

By Appointment, Staff-Accompanied Visits?

Begin with practical details. Do you hope to have buyers make appointments with a staff member and be accompanied on-site? If so, which staff members will be available for site visit appointments, and when?

A significant advantage to accompanied visits is that the buyers' questions about quality, delivery dates, and change requests are handled correctly by an informed staff member. Many problems can be prevented when accurate information and definitive answers are provided promptly. Safety procedures such as wearing hard hats are more readily enforced when buyers are accompanied by company personnel. In addition, most home buyers appreciate the attention. However, these advantages come at a price.

How will site visit duty affect the other job responsibilities for these staff members? The sales consultant who accompanies buyers on-site is unavailable to new prospects and is not making follow up contacts. Likewise, the superintendent who is touring the site with buyers is not scheduling trades, walking homes to check quality, or ordering materials.

Personnel with less critical job assignments might be enlisted to accompany buyers—a sales hostess or an assistant superintendent. Now new issues arise. Do these employees have the necessary depth of knowledge and communication skills to respond to site visit issues? Do they have sufficient authority to make decisions and commitments? Are they seasoned enough to recognize which issues need to be resolved by other authorities, and the skills to accurately communicate those issues and see them brought to closure?

Preferred Site Visit Times

Whether you ask that buyers be accompanied or not, are certain days of the week or certain times of the day better for buyer visits than others? Requesting that buyers visit outside of the normal trade contractor work day can reduce interference with on-site labor. Buyers are more likely to direct questions to designated company personnel (typically their sales consultant) if trades are unavailable.

Consider designating days or parts of days as appropriate for home buyer site visits. Many medical offices suggest recommended days and times to call with questions or to set appointments. This is a reasonable practice. Although not everyone will stick to your time table, the effort does help. Further, knowing that buyers have been directed to these time slots, your on-site personnel are more likely to respond positively to home buyers interrupting their work day during these designated times.

Locks and Keys

At some point every home can be closed and locked at the end of the work day. Make decisions regarding who will have keys and who will have authority to use those keys. Many builders use a standard construction lock so that all homes under construction can be opened with the same master key. Some even use construction doors to prevent damage to the home's actual exterior doors, changing both doors and locks as part of the delivery process.

So far, so good. But problems can arise in the daily use of those master keys. Busy personnel may “loan” a key to trusted trades, familiar home buyers, or well-known real estate agents who want to show the builder's product to a prospect—only to have that person forget to return it or, even worse, lose it.

The lock-key question becomes more complex for custom builders who are building on the home buyer's land. Some custom builders give the home buyers a construction key; others install the permanent locks and give the home buyer that key. Either way, the door may be left open—both literally and figuratively—to unauthorized visits, damage, theft, or injury.

One secret to managing this is early discussion of the subject with the home buyers and an explanation that shows how they can visit the site safely and ask questions in an orderly manner. This needs to be backed up with the self-discipline of company personnel in charge of keys. Some companies have found their sales consultants actually find it easier to be able to say that only construction has keys to the homes.

Insurance

Read your insurance policy and if necessary talk with your agent to understand what protection you have for customers on site—and what your obligations are. A construction site is an attractive nuisance—meaning it draws curious people who may combine exploration with injury or mischief. In most cases, the builder (and supporting insurance company) suffer the loss if any problems occur.

Avoid surprises. Know what your coverage and obligations are in this area. Additionally, check with your local or state home builders association for information on regional practices and recent events that might influence your policies regarding site visits.

Document Buyer Questions & Concerns

Standardize your method for tracking and responding to buyer issues during construction—whether on paper or digitally. This means creating a system to document those questions. Providing buyers with forms to note their concerns shows them you expect questions, you will take them seriously, and furthermore, helps train the home buyers to document every detail. (This can be helpful to your warranty service process later.)

Track Response Times

By noting the date and time a question was received and when the company responded, you can measure response time—a critical element in buyer satisfaction. Strive to *acknowledge* buyers' questions within four hours and to *answer* the questions within two business days, unless you inform the buyer that is more time is needed, explaining why, and when to expect an update.

Review Issues

Routine review of buyer concerns may identify common issues that you could discuss up front with all buyers. Often these subjects fit best in the preconstruction conference. Offering information can head off future buyer concerns and save your staff the time required to respond to the same questions over and over.

If this seems like unnecessary effort and paper work, keep in mind that the buyers' questions are the buyers' questions: they will be asked with or without a program for managing them. In the end, an orderly system requires less time and creates fewer dilemmas. Ultimately you come out ahead and your buyers enjoy the process more.

Whatever system you decide upon, make certain that it consistently produces the promised results—otherwise the home buyers will invent a system of their own to get what they need.

Document Responses

Note the responses and when they were delivered on the same form or an attached document if the answer is lengthy. The completed form then goes into the file as part of permanent records and may be helpful later to other personnel who work with the buyer.

Creative Options

In addition to a reliable tracking system for responding to random questions, you might want to consider these more proactive methods for communicating with home buyers as their homes are built. Many companies have discovered that regular communication, initiated by the builder, has a positive impact on customer satisfaction. Customers are less likely to interfere in the work if they understand what is going on and have real trust in the company.

Home Buyer Liaison

Some larger volume companies have created a position designed specifically to address buyers' needs throughout the building process. Carrying titles such as Home Buyer Liaison or Home Buyer Service Manager, this individual takes over from the sales consultant after the purchase agreement is signed, oversees all steps in the process, and communicates with the buyers up through closing and the transition to warranty.

Weekly(?) Phone or Email Update

Mid- to small-volume companies have discovered that establishing a standing appointment to update each buyer helps. Usually the update is done by phone or email. Critical to this approach is making certain that the person doing the updating has current and accurate information. Planning these updates as the last step in regular community team meetings works well because the sales consultant and superintendent have just reviewed each home buyer's status and current details are available.

Standing Appointment for On-Site Meeting

Small volume companies get good results from a planned site visit, usually on a weekly or bi-weekly basis, depending on the stage of construction. The home buyers and the superintendent know they will have each other's undivided attention at this routine appointment.

Superintendents can schedule other tasks with less likelihood of being interrupted by unexpected home buyer visits. Because their need to be kept informed and involved is being met, the home buyers are less likely to interfere with work in progress and may even make fewer random visits to the site.

Set Next Appointment during the Current Visit

Some home buyers clearly need attention and time from their builder, but are unable to commit to a routine appointment. For these folks setting the *next* appointment at the end of each planned visit may work well. The key here is the peace of mind such customers gain from knowing they will have the company's full attention again at a known date and time even if those meetings do not follow a predictable plan.

Explain Site-Visit Policies Early

Once you have clearly defined your site visit practices, you can plan the steps and create the materials needed to convey them to your home buyers. As with so many of the issues builders encounter with their buyers, this one is best addressed early in the relationship and will also need reinforcement. Builders have three opportunities to present site visit policies to buyers *before construction even begins*. Use all of them.

Purchase Agreement

Begin with your purchase agreement; draw attention to the "non-interference" clause. If your purchase agreement does not currently contain a "non-interference" clause, change it—even if that means disposing of three boxes of printed forms.

An example of a noninterference clause is offered in the fifth edition of David Jaffe and David Crump's book, *Contracts and Liabilities for Builders and Remodelers*, 1-800-223-2665 or BuilderBooks.com. You will also find this paragraph quoted in the sample letter at the end of this article. As always with any legal matter, be sure to check with your attorney for specific requirements of your state.

Homeowner Guide

Follow up the purchase agreement clause with a description of your site visit policies in your homeowner guide. Include at least two copies of a form home buyer can use to submit questions or explain how to access it on your Website. The sales consultant can point these out when the homeowner guide is reviewed at the contract signing. Providing a brief (about 3-5 minutes) overview of the content of the homeowner guide is an excellent way to introduce many of the company's policies. Bulleted sheets at the front of each chapter can summarize the key points and make this overview quick and easy.

Preconstruction Conference

Include a review of site visit policies as part of the preconstruction conference agenda. The sales consultant mentioned this briefly and called attention to your documented system for questions. Now buyers hear about site visits in detail from the superintendent just as construction begins on the home.

The superintendent should also refer to the homeowner guide, highlighting once again the benefits of a documented system for managing their questions. Now is the time to reinforce expectations regarding the response time for these questions. One suggestion is to tell them that most questions can be answered within two business days and if more time is needed (to talk with a trade or check a detail with the building department, for example) you will advise them of that. Be certain to note such commitments on your calendar when they occur.

Staff Education & Training

Once your plan for managing site-visits is in place, roll it out with personnel and customers. This begins with staff training. If you have involved some of your front line personnel in developing the updated practices, few will be surprised to learn of some new policies.

In-House Training

Review all site visit policies and the reasons for them with your front line employees. Ask them to read the applicable purchase agreement clause and the homeowner guide entry regarding site visits. Discuss the need to respond to buyers' questions promptly and respectfully.

Explain that when on-site personnel notice a buyer interfering with the work or engaged in other undesirable activities, your staff person should remind the buyer about site visit policies. This discussion should be polite, friendly, and low key. Think casual, matter of fact—pleasant. Assume that, this first time, the buyer simply forgot.

Role play these conversations at staff meetings or one-on-one in the field. Rehearse until the tone and delivery is clear and still courteous. Next, emphasize that this conversation should be documented for the file. A form you might use for this is an *Incident Report* which you can download from the *Home Address Website*. Such documentation may be critical later.

Trade Contractors

Provide guidance to your trades regarding how you want them to respond to home buyers visiting the site. Cover this when you contract with a new trade and review it again in the field when they arrive to work in the community the first time. Expect each trade contractor to take responsibility for conveying this policy to all crews assigned to your work. Just as some companies print service reminders on the back of warranty work orders, you might want to print reminders on the back of your purchase order forms.

Make it clear that you want to be informed of any inappropriate home buyer behaviors on the job site. When a trade comes to you with such concerns, take immediate action. Seeing you respond will reinforce the trades' willingness to alert your personnel in the future.

Sales Support

Don't overlook the need to update your sales team about these details. They will have conversations with buyers at the start and off and on through the building process. They may hear complaints or simply questions. Well prepared, they will be able to respond in a friendly but firm manner. Keep everyone on the same page with regard to this issue.

Enforcing Your Policies

With all this up front effort, most of your on-site problems will go away. However, in the event that a few home buyers make up their own site visits policies, you are now positioned to take more decisive action. If your friendly, conversational reminder did not accomplish its goal, firmer measures are called for and must be prompt to be effective.

Being prepared with firmer responses will keep company frustration low and permit you to address these situations quickly. The longer home buyer interference with work on the site continues, the worse it becomes and the harder it is to stop. Like your trades, if field personnel are to be expected to enforce site visit policies at all, they need to know that back up from the main office will be forthcoming when needed.

The second time buyers interfere with work, your administrative back-up system is needed. A sample letter appears at the end of this article. This letter addresses buyer interference with understanding and firmness. Note that it relies on having a contract clause on this topic and an earlier (and documented) conversation with the buyer. Tailor it for your situation and use it when the need arises.

If this more formal communication fails to stop the home buyer's interference with work, you are left with two choices. The first is to put up with the buyers "helping" you build the home. Backing down on clearly stated policies sends a message that your policies can be ignored or overridden—so count on future problems if you take this route. The second alternative is to threaten cancellation of the contract. With the documentation you have created along the way, you should have little difficulty establishing that your home buyer is in default of your contract.

While threatening to void a contract is certainly undesirable, long term it may be the wisest action. The threat alone may stop the buyers' inappropriate behavior. If it does not, cancel the contract. Word gets out to other buyers that you really mean what you say.

Of course, all this thinking, planning, training, and doing takes time. But it is time spent preventing problems instead of solving them. Once your field staff, trades, and administrators become accustomed to the policies and comfortable with the parts they each play in them, most buyer site visit problems will be eliminated or readily managed.

Letter Regarding Job Site Interference—Adapted and reprinted from Carol Smith, *Dear Homeowner: A Book of Customer Service Letters* (Washington, D.C.: BuilderBooks, NAHB, 2000), SOLD OUT

<Logo>

<Date>

<Home Buyer>

<Address>

<City, State/Province, Zip/Postal Code>

Dear <Home Buyer>:

Your interest in your new home is understandable. We appreciate that you want a quality product and value for your money. Our construction systems are designed to provide you with the quality and value we promised you in our contract documents and demonstrated in our showhomes.

To achieve this, it is imperative that <Builder> direct and maintain control over the work. This is such an important issue that the <Builder> purchase agreement which you signed on <date> includes a clause which states:

Purchasers shall not in any manner interfere with work on the job, nor with any trade contractor or workers. Purchasers will not communicate directly with the builder's workers, employees, agents, or trade contractors regarding the means, method, or manner in which they perform the work. If Purchasers delay the progress of the work, causing loss to the builder, the builder shall be entitled to reimbursement from the Purchasers for such loss.

On several occasions conversations you have initiated with trades people and <Builder> employees have caused disruption of the work and confusion about methods and materials. We have asked that you communicate any questions you have only to your sales consultant. <Builder> has a written system for tracking and responding to such concerns.

We ask that you respect this system and refrain from any further interference with work at the job site. <Builder> will pursue all avenues of recourse to recoup any losses caused by further interference.

We appreciate your cooperation in this matter. If you have any questions, please contact me.

Sincerely,

<Name>,

<Title>

<Builder>