

# STRUCTURAL BUILDING COMPONENTS MAGAZINE

September/October 2004

## Customer Service: A Small Company's Approach by Simon Evans

*Customer service management can make or break a business. Find out how one small component manufacturer successfully handles the needs of various customer profiles.*

Baytruss of Richmond, CA, is the closest truss company to San Francisco, Berkeley and Oakland, and the only one located within the Bay Area. Because of our location, we have many competitors, but interestingly, our biggest competitor for many jobs is the customer who frames his roof conventionally, and buys I-joists or solid sawn lumber instead of floor trusses because his plans tell him to do so. Our challenge is to provide good customer service, while educating the thousands of local architects and engineers as to why they should specify components instead of more traditional framing methods.

### MANUFACTURING COMPONENTS IS NOT "ONE SIZE FITS ALL"

In our client base, we have many small customers. Some are in the remodel or addition business, some build only one or two custom homes a year, and a few build more. A few work on much larger commercial projects like schools, fire stations, churches and retail stores. However, satisfying our small customers sometimes translates into big payoffs. For instance, we recently made a girder truss for a residential building that spanned 36 feet and carried floor, wall, roof and seismic loads with a deflection of less than ½". Several of our competitors declined this job, but we welcomed it. The contractor was so impressed that he gave us his entire order for roof trusses. And other cases just lend themselves to a little marketing, like our smallest order ever. We built a three-foot truss that an expert witness wanted for a court case. We only charged \$30. We could have charged more, although I can't complain because it gave our name valuable exposure.

### LIKE COMPONENTS, CUSTOMERS COME IN ALL SHAPES & SIZES

With such a wide range of customers, it's sometimes hard to give every job and every customer the attention they need. Even so, all of our customers do have one thing in common; they are equally important and demanding of our time and attention, whether we are doing a few hundred dollars worth of designs or \$50,000 worth of roof trusses.

How do we do it? The process starts in sales, where we devote time to understanding who our customer is and what they want. Some are repeat customers and we know what level of attention they want, while many we see just once (often because they are remodeling or building their own house). Our repeat customers vary, but there are always some visible trends.

It is vital to know your customer. How familiar with trusses are they? Who is actually going to do the construction work? What kind of timetable will they have? What is their payment record? Our sales support system supplies this information. In computer terms, it is not a very sophisticated software suite, but it is effective, built around a small business accounting package and the lavish use of spreadsheets. Sometimes our best record is the corporate database held anecdotally in our longer serving staff's memories. ("I remember that job, it was a nightmare." A sermon promptly follows on the inadvisability of putting a beam pocket in a six-foot set back 3:12 hip girder carrying a point load.)

Luckily, we can divide our customers into a few manageable groups. This helps us gear our customer service to the specific person or project in a way that is suitable for them. The following are caricatures but, overall, they mirror the types of customers we deal with the majority of the time.

### **THE OVER-ACHIEVER**

Customer A does residential additions, completing six to ten jobs a year and we hardly ever speak to him. He faxes us drawings, we fax back designs, he approves them, and we build and ship the trusses. Occasionally he comes in the office to talk about more complex jobs, but we usually work from his hand drawn sketches and he pays promptly. Customer A is the ideal, and he does exist, but we do not have too many like him.

### **THE HIGH MAINTENANCE PROFILE**

Customer B also does several residential remodels each year but he fusses endlessly, requiring jobsite visits and many telephone calls on subjects ranging from soffit details to the exact time our truck will show up. If we are even 30 minutes late (in the San Francisco area this is more than possible) we are subjected to a tirade about the cost of keeping a crew idle while waiting for trusses. The same customer will make lengthy requests for elucidation of bracing details, and asks for extensions of credit because the homeowner has not paid his last invoice. He is also highly disorganized, blaming us for missing sealed drawings.

### **THE LANGUAGE FACTOR**

Customer C knows exactly what he wants but cannot easily express it in the English language. First, we have to find the appropriate staff member to communicate with them in their respective language (beyond Spanish, this includes Mandarin Chinese, Vietnamese, Laotian and others) in order to clarify their requirements. Then we find that we often have to explain to the homeowner or contractor in their language exactly what the local building department will want from them. Some immigrants accumulate substantial amounts of money and run highly successful businesses, without ever mastering the English language. Life is fine until they try to get a building permit.

These differences are part of manning a truss business in the ethnically diverse Bay Area. The most important thing is that you learn to tailor your service to their needs, while ensuring that your books end up in the black and your customers walk away content.

## THE BATTLE OF THE BOOKS

Essential to our costing is a breakout of office hours (sales, management and design time) as a separate line item from truss manufacturing and delivery costs. In my opinion, this is key. Generally, it's office time that puts you over or under budget. Don't get me wrong; we do not begrudge hours of design time spent on small jobs if we have budgeted for those hours, but if a customer expects us to design trusses twice over because, for example, he has changed the trusses from conventional overhang to cantilevers, we have to charge him.

There is no exact formula for bidding a project, so how do you tell how much time a new customer is going to need? How do you charge enough? Our first rule is to charge generously. Customers with small jobs know that they are going to pay a lot for their trusses because of the high overhead involved. For the more straightforward jobs, we charge a flat fee for design work, based on (among other factors) the number of designs to be produced. Some jobs even require that we charge for time and expenses, as we have found that occasionally our finished truss drawings are not what the customer, or the design review board, wanted and we have to start again. As each project/client has its own set of circumstances, our varying bidding process is constructed to accommodate these differences.

## "WE WANT TRUSSES YESTERDAY"

Time often throws a wrench in our commitment to customer service. We regularly see customers who have framed their building and only then come and ask us about trusses. ("Can I get them soon/tomorrow/next week?") The answer is invariably that we will do them as quickly as we can, and if they care to pay overtime charges we will do them even faster. Sometimes they bite. One customer walked in on the Friday afternoon before Labor Day to ask where his trusses were. Unfortunately, he had forgotten to order them and had planned to install them over the long weekend. They were delivered the next day, Saturday morning. Once again, our dedication to customer service paid off, as he has never shopped anywhere else since.

Above all, we know that contractors want an honest answer. We tell them what is involved and how long trusses will take to make. "I can't start the job until my drawings have been approved" is often the biggest hold-up. At this point it's in our best interest to avoid scheduling a delivery date until we have approved drawings in our hands, otherwise we find that the engineer of record may take three weeks to approve drawings for a job we are then expected to build, and ship in days. In many ways, especially when the details are out of our control, this is good customer service, too, because now we haven't made a promise we won't be able to keep. In the end, everyone is happy and we won't lose a customer because we missed a deadline.

## PROVIDING THE UNEXPECTED

To supply this level of service, we need the right tools, and the right people to use them. Many factors play a role in our ability to provide good work. It is vital to us to have software that enables us to complete layouts and designs quickly so that the customer sees what he is going to get. We almost never optimize our truss designs because the production savings will be less than the design time spent on optimization. If the computer says it works we build it. For smaller jobs

the cost of production and delivery (including full overhead cost allocation) is usually less than half the total job cost.

We all know a picture is worth a thousand words. Showing a customer what his trusses will look like is very important. Any of our technicians can complete designs telling him whether the effect he wants (triple butterfly, attic trusses to carry thousands of books, cantilevered parallel chord trusses carrying roof and deck framing) will work. It may be above and beyond, but we do this because many of our local architects do not do a finished roof design. We take pleasure in fixing the problems some truss manufacturers hate, including: front and back elevations that do not match, architectural and structural drawings that are different, dimensions that are inconsistent, missing overhang details, missing collector loads and seat cuts that are not specified but obviously needed. And yes, we do seat cut trusses if need be and engineering allows. We charge for this service, but we give it, just as we will make blocks and panels of any dimension and shape them if required. The key is simply providing the service. The more we say "Yes," the more repeat customers we gain.

Do we meet our target of providing the perfect truss service to any one who walks through the door? Of course we do not. Sometimes we are overbooked and have trouble visiting customers at their jobsites, and other times we cannot finish designs in the time they would like or our delivery schedule is backed up. Although we understand that Saturday morning at seven o'clock is the only convenient time for the customer to take a delivery, it may not work for us so we compromise when we can. The reality is that we make mistakes. In the many hundreds of jobs we do a year a few are bound go wrong. Whether we misread the plans, misunderstand our customer's instructions or forget to provide trusses for the separate garage. The only solution to such problems? Admit the problem, don't argue about it and correct it immediately...with a smile.

## **SOMETIMES ENOUGH IS ENOUGH**

Along with timely and cost effective service with a smile comes knowing when to say no. For instance, we used to allow relatively free access to our design staff. The result was that some customers would feel they could "drop by" on a whim and spend time talking about their projects to designers who had deadlines on other jobs. We have reluctantly concluded that this had to stop; we've decided to use the sales force as a filter to decide which customers legitimately need to talk to designers. Our design department is now more productive, which eventually leads to better customer service.

## **THE NEXT CHALLENGE**

And still, the work goes on. We do not rest on our laurels, as new customers present new challenges. We know our competitors are not asleep. Successful growth is the next biggest challenge. How do we hold on to the small customers whose order is as important to them as it always was, but is now less important to us? We are still experimenting, and sometimes it feels like we will never get it quite right. Part of the secret may be to give someone responsibility for small jobs. That person's report card depends not on how many jobs they do, but on how satisfied their customers are. We will let you know how it works out.

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