

Commentary **Mark Richardson**

Myth Busters

Replace myths with facts, and you will make better decisions.

In life there are many myths. Some, like Santa Claus or the Easter Bunny, provide a benefit to our upbringing. Others create fear or anxiety, like the notion that flying is dangerous (it's actually the safest way to travel). As we mature and become wiser, we should replace these myths with facts that help us keep things in perspective and make better decisions.

Unfortunately, there are many myths or misconceptions that remodelers tend to embrace. All of them are disruptive to the process of creating a healthy business. Here are three of the most common myths:

A 6- or 12-month backlog is a good thing. When I ask remodeling groups how they feel if they are booked out for 6 or 12 months, the response is almost unanimous that it's a good thing, the best of all possible circumstances. But when I pose the same question to suppliers or manufacturers, they say, "That would be tragic." Why? Because when you're working at capacity, you can't take on any new business. Too much can change over a period of 6 or 12 months, and a cancellation or a postponement

leaves a big hole in your schedule.

Changes in the economy or other circumstances could also cause huge swings in annual business volume. As with weight gain and loss, however, these drastic changes are not healthy. Unfortunately, remodelers tend to be much happier with abundance than with a properly managed pipeline. But if you can predict what the ideal lead time is both for your clients and for your processes, hitting that target will be much more profitable.

Selling remodeling is an art. Although I'll admit that some people have a talent for selling, it is much more a science

than an art, and the difference is important. If you think it's a talent, then you are not motivated to improve and you have a built-in excuse for every failed sales presentation. But if you understand that the sales process is a formula or a recipe, you can become more proficient and see predictable results.

Instead of emulating the mythological salesman who can sell anything to anybody, it's important to understand that a proper sales process also screens out clients you should not be working with and projects you should not be taking on. It sets the stage for a successful production experience. There is room for artfulness, but only after you've mastered the science. Can you write down your sales process? If not, you don't know how to teach it, how to duplicate success, or how to fix it when it breaks.

Personal referrals are great clients. Remodelers get very excited about personal referrals, and treat them with greater reverence than prospects from other lead sources. But just because someone lives in the same neighborhood or works in the same office or shares the same interests is no guarantee they'll be anything like the person who referred them. (Is your neighbor as nice or understanding as you are? Are your best friends as patient as you are?)

True, personal referrals are easier to sell, but they may not be better clients. Don't let your guard down when it comes to these kinds of leads. Don't skip steps in your screening process or sales formula that are designed to set the right expectation. Yes, people in your client demographic tend to hang out with one another but that does not make them all good clients.

Why do these and other myths exist in the remodeling business? I think the answer lies in the fact that most of us in this industry learn primarily by trial and error. That's understandable when a business is young, but eventually, we need to learn from our mistakes and examine our assumptions. What seems to work at one stage in a business' development may be disastrous as the business grows. —Mark Richardson is president of Case Design/Remodeling and Case Handyman Services, Bethesda, Md., and author of "30-Day Remodeling Fitness Program." 301.229.4600; mrichardson@casedesign.com.



Photo: Mark Robert Halper