

COMMUNICATING COSTS TO CUSTOMERS

I like to make every part of a magazine useful, but before launching into the *Distinctive Landscaping Journal*, seems like I should introduce myself: I graduated from the University of Nebraska. I've been a professional writer for 20 years with the last 11 years spent in the green industry. I have spent time as a USAF Intelligence Analyst, ARNG Engineer Officer, City Councilman, Communication Consultant, Editor and Publisher. About two years ago, I joined Vander Kooi & Associates to start up *HardScape Magazine*, Hardscape Expo, and now *Distinctive Landscaping Journal* (DLJ).

While *DLJ* focuses a lot on design, it also touches a lot on working with customers. One of the themes that popped up in several of this issue's articles was that of communicating costs to customers. Here are some things that caught my attention:

- It takes more than a signed change order to communicate rising costs. When Norm Farmer (page 24) told me how he updates customers every few weeks with a summary of change-orders-to-date and how this led to project cutbacks, I wondered how many contractors would see this as "shooting themselves in the foot." Even with signed change orders, customers who don't receive ongoing updated total project costs can be surprised at the high final bill. They feel deceived, won't want to pay, won't hire you again, will badmouth you to their wealthy friends and will complain to their architect who will look elsewhere when selecting contractors for future jobs. While Farmer's job was cut back this year, he's been hired to do more for the client next year, and he's at the top of the architect's contractor list.
- Much can be gained from spreading a job over a few years. David Chewey's (page 8) customers usually can't fund everything they want at once. So he encourages them to spread their job over a few years to make it budgetable. This can make planning more complicated and add costs to move equipment and materials. But in the end, the overall job will be larger with fewer cut backs. The customer will be satisfied because you helped them find a way to get what they wanted without being stretched thin financially. And if you cover any additional costs in your price, everyone wins.
- Never underestimate the stress of a customer building a new house. There is a great feeling of entering the unknown and spending gone out of control. Customer Phil Simms (page 16) is a light-hearted guy who had every reason to hire contractor Mitch Knapp: Simms and his spouse highly respected Knapp's knowledge and quality of work. Knapp was his hero for fixing up the ballfield where both their sons played on the same team Simms coached. I thought it would be just like Simms to hire a friend, and was somewhat taken aback when he made a special point of saying that with all these things going for Knapp, the deciding factor was that Knapp told him exactly what he was going to do and how much it was going to cost.

Trust in the contractor's change orders, competency and cost were huge in this issue's final article, "A Job That Spun Out of Control," (page 42). There's so much to say on that one that we don't have room to address it here. Let us know what you think.

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