

In search of the Perfect Inspection

As I approach my tenth year in business I am still learning about homes and perfecting my trade. Our clients have an expectation that we will do the perfect inspection and catch 100% the issues. However, few are willing to spend the time or money for an exhaustive week-long inspection of a home. Realtors would not support this type of inspection as the multi-day inspection would displace the seller and most likely bring up issues that were present since the home was built and not caught by the building department. Like all inspectors I don't like getting the phone call from an upset client about an issue they have found in their newly purchased home that they feel I should have caught. Mike Holmes's Show, "*Holmes Inspection*" doesn't help as his favorite line seems to be "*the inspector should have caught that.*" However, can we deliver a near perfect inspection in the few hours we spend in a home?

Near perfection is possible. In the 1990's and 2000's many companies launch process improvement programs such as Total Quality Management, Business Reengineering, Lean, and Six Sigma. Many got significant benefits, including higher quality, lower costs, faster time-to-market, and better customer experiences. Companies like Boeing must have processes that produce 99.9% defect free airplanes or they can't remain in business. McDonald's is another great example; they have to create a 30-40 menu items consistently across the world. The taste, texture and temperature all has to be perfectly consistent. McDonald's also creates the same customer experience worldwide, so when you go into a McDonald's in Toronto, the dining experience is the similar to New York City.

One might say that the inspection business is different and we are not producing a standardized product, but I disagree. Our inspection report is a product and we can take some of the techniques that Boeing and McDonald's use to create a better product. Both companies thrive on some core fundamentals:

- *Standardization* – a Big Mac is a Big Mac and a Boeing 737 built in 1968 can use parts from a 2010 737.
- *The highest levels of quality possible* - planes can't fail and the food must be pure and taste the same regardless of location.
- *A production process approach* – different work cells combining to make the finished product.
- *Quality processes throughout their systems* - from suppliers to management oversight, checks are built into each process.
- *Production Systems* are reproducible and easy to teach to new employees.
- *Lean production* – the steps are broken down and analyzed to get the most from each employee.

What can we learn from these companies that can translate into a perfect inspection? I looked at homes inspection process and broke down the components: initial contact, information flow, scheduling, arriving at the property, physical inspection, creation of the report, delivery of the report, follow-up and after inspection issues.

Initial contact

Like in many parts of the country Realtor's give out multiple names of inspectors, so frequently we get clients shopping around for a home inspector. My business partner/wife and I share the office duties so it's important that we are consistent in what we say and quote to the client. We have built processes into our business to ensure that from the time the client first contacts us until they get our follow-up survey that it's done the same every time. We have a paper form that gets filled out and goes into our *3D Office Management System*. This step includes calling the Realtor to get access to the home and ensuring the utilities will be turned. A confirmation is sent out with the time, date, location, cost and a copy of the inspection agreement for their review. We have learned that setting expectations is an important part of customer satisfaction. Most home buyers are bewildered by the home buying process and the more educating we can do upfront the better they will understand the information they receive down the line.

Information flow and scheduling

Since I spend more time in the field it's important that the information flow from the initial contact and Realtor gets to me prior to arriving on site. When the client is booking the inspection we will identify their concerns and known issues and I will usually look over the schedule and inspection details the evening before. Since we have been performing inspections for some time in this area I am pretty familiar with the neighborhoods and the respective issues. We usually block out 4 hours for an inspection as you never know what will be found until you show up at the property. The last thing we want to do is to be forced to rush through an inspection due to a scheduling crunch. Our information forms always get cell phone numbers for the client and Realtor so if we are running late we can always call and let them know when we will arrive.

The inspections

All inspectors have their own way of handling the physical inspection of the home. The key is standardization. Like McDonald's you want a system's approach that allows you adequately view the property and capture issues. Like many inspectors, I try to get to the property before the client and do a size up. This allows me to do some pre-planning on where I will access the roof, the order of things that will be inspected and identify features such as out buildings that weren't disclosed. I also will start cataloging issues that will need further examination such as LP siding or hazards such as overhead wires. If the client and Realtor have not arrived yet, I will start taking pictures of the exterior. Usually I will shoot the front elevation and shoot each side of the home and the roof. Part of my standard process is photo documentation. In a small home inspection I will take close to 100 pictures and use about 25 pictures in the report. Clients will frequently forget the condition of the home, but if there is a disagreement on the condition they have a hard time arguing with the pictures.

Master craftsmen will spend hours perfecting their trade. As they learn, they build muscle memory. This muscle memory makes it easier to get the tasks right time after time. Most home inspectors already have muscle memory. For example, when I first got my telescopic ladder I looked pretty awkward opening and closing it. I have now

used it more than 1,000 times and can select the height, extend the ladder, get the right climbing angle and check it while I am talking to the client. I have now done it so many times I have perfected the process. Most experts will agree that to master a process you have to perform it 1,000 times.

A critical step in my quality control process is loading information into my reporting system onsite. I have my forms setup to mimic my physical inspection process. I will normally set my laptop in the kitchen and enter data there. If it's a large home or multi-building complex, I will inspect an area, and then enter it into the computer. If it's a small rancher, I will enter data at the end of the physical inspection. If I am missing information, such as the size of the furnace, I can go back to it and get the information. Occasionally I will miss a concealed water heater or the electrical panel hiding behind the painting. My inspection software will remind me that I am missing a piece of information. I also have several check boxes at the end that reminds me to verify the oven is off, furnace and water heater temperature are returned to original position.

The report

I will create most of my report on-site but I don't complete it until I get back to my office. I've tried it other ways but I found that I was having to recall and update the report more often than I wanted to. Even though I would tell the customers that this could happen, I felt like I was sending out reports with potential errors. For this reason I don't send out reports until I get back to the office. This allows me to digest the information from the inspection, do research if needed, enter the pictures and fine-tune the wording. We have reduced the number of errors that go out in the reports to less than 2%. I use pictures as one of my quality controls. If I find a defect I am taking one or more pictures of it. As I go through the report I am looking at the pictures and comparing it to the comments I have entered. Frequently, I will find a small item such as a broken sliding door latch that didn't make it in the initial report creation. During this pass I will ensure that I have all the issues documented and pictures entered. My last steps are spell checking, looking at an issues summary and creating the PDF. The final QA check is looking at finished report and making sure it printed as I want it.

Setting Expectations

Even the best, most thorough inspection can produce an unhappy client. If your customer is unhappy with your service, then you have failed at your job. In my experience the predominant reason is mis-set expectations. Most customers don't understand what a home inspection is and what it isn't. We all have contracts that stipulate the terms of the inspection but how many clients' read the contract? For this reason, I encourage the client to attend the entire inspection. This is a business decision for each inspector and from informal polls I have taken, about 50% of the inspector encourage the client to attend the inspection while the rest prefer the clients shows up at the end. With my process, when the client shows up I do a pre-inspection briefing. The briefing covers what I will be doing, checking to see if they reviewed the inspection agreement, safety (please don't follow me on to the roof) and finding out if they will be staying for the entire inspection. This briefing helps set the client's expectation and let's them see what I am seeing. If there is an area that is not

accessible, I tell them about it and why it won't be part of the inspection. Occasionally I get client's (and their family) that are all over the board and pulling me in different directions. In this case I gently encourage them to hold questions until the end or have the buyer/client collect the questions and ask them when I am done. This does extend the time it takes to inspect a home but the majority of our clients get more out of the inspection and feel more confident about their purchase after reading the report.

Follow up

In most cases we do our inspection, collect a check, deliver the report and never hear from our client again. Many of us take the head in the sand approach - no news, means we are doing OK. But how do we know if we are doing great and having our past client's bragging about how happy they were with our services? How many of us ever check in with our client's? I would wager that it's less than 10% that have some type of formal feedback system. The Boeing's and McDonald's of the world have established metrics that are constantly measured and customer satisfaction programs. At this point I don't have a formal system, but I know I should. What I am doing is encouraging clients to review me on Google, Yellow Bot, Bing and Judy's Book. I also poll the Realtor's that refer me for feedback. I consider them a secondary client as many clients depend on the Realtor to suggest who the good home inspectors are. In our state they are required to supply three names.

The quest for perfection should never end. Our markets are changing and we must change to continue to meet our customer's expectations. We should never get lax and think we that delivering a good inspection is good enough. Can we live up to the standard's that Mike Holmes's talks about? No, because he goes far beyond the ASHI's standards and the homes featured in the shows are setup to make good TV. However, Mike does set the bar to give us something to strive for.

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