

The Personal Touch

Communication Skills Are The Key to Lisa Neyhart's Success

An APRO file by Thomas G. Dolan

"From a woman's standpoint, this has been a male-dominated field," says Lisa Neyhart, who got started in the business in 1985 as a \$4-an-hour sales representative and has worked up through the ranks to owning her own company. Neyhart says that while there is always room for improvement, the industry's attitude toward women has changed for the better. "When I was just starting out and went to a conference, I would see only a handful of women. Now there are many more and several are branching out to start their own companies. So a lot has changed. I also think a lot of managers are looking to hire more women now as they are more appreciative of women's communication skills."



Neyhart lists her own communication skills as a key factor in moving her forward in the industry. She got her start in Louisiana going to work for Patrick "Pat" Parker, who currently has 29 stores in Louisiana, Ohio, Massachusetts, Mississippi, Rhode Island and New York under the name of Utica Rentals. In 1992, she was transferred to Ohio. Over the years she was promoted to regional manager and then vice president as her range of responsibilities grew. Along the way, she continually sharpened her skills by taking courses in subjects such as supervision, coaching and delinquency management.

In 1996, Neyhart increased profits by \$385,000 in the Western region, as well as being responsible for the largest BOR increase through a gain of 1,300 units. Volume increase in 1996 was 9 percent, followed by 15 percent in 1997, 9 percent in 1998 and 17 percent in 1999. During her rise to success, she met and married Tom Neyhart in 1996. Tom, who had a close relationship with Parker, branched off, with the latter's blessing, into his own store in Baton Rouge, LA, called TJ Rentals Inc. Lisa also worked with Parker to achieve a similar independence about two years ago for her store in Hammond, LA.

Now husband and wife are partners in the ownership of the two stores in a business called Success Rental Systems Inc., doing business as ColorTyme. Although this business is now separate from Parker's, Lisa says they are still "loosely affiliated." Tom, in fact, also still works as chief operating officer for Parker's business. Lisa, however, retired from Utica at the end of 2000 in order to spend more time with her three teenage children. "I was on the road nine weeks out of twelve," she says. "Now I don't have to travel anymore."

Swaying Political Foes

The couple has long been pro-industry, with Tom recently serving on the APRO board of directors. Lisa has made special use of her communication skills by becoming actively involved in the legislative process to help combat the sometimes negative perception of the industry. Although she credits Tom for being active in this arena longer, she is currently close to finishing her term as president of the New York Rental Dealers Association, on whose behalf she has visited members of Congress about 20 to 25 times a year for the past three years. At one point, she took notice of a program in New York in which used or broken cell phones were picked up and taken to the telephone company to be repaired and reprogrammed only for 911 calls. These phones were then distributed to battered women who could use the phones as a means for safety. She has now taken that program to legislators in Louisiana and is in the process of getting it implemented there.

Perhaps her biggest legislative victory in terms of the industry, however, was her spearheading the defeat of a proposed bill in New York that would have effectively put rent-to-own companies out of business. Neyhart contacted Marian Gibson, an aide to Senator Charles Fuschillo, who was sponsoring the bill. She was able to establish a rapport with Gibson and this was a start of the educational process. Neyhart and her associates were able to dispel the notion that rent-to-own was some kind of shady business designed to exploit the poor. The senator was receptive and withdrew the bill.

Personalized Service = Success



Neyhart's main communication efforts, however, are directed toward her business. All successful businesses, by their very nature, tend to become standardized. Neyhart, however, tries to keep her business from becoming cookie-cutter as she makes every effort to put a personal touch to customer interaction. Take advertising, for instance. She uses the conventional media such as radio spots and radio remotes, ADVO and television, as well as direct mail brochures, but her most successful efforts are those

that incorporate the people factor. For instance, when the drivers make a delivery, they'll ask if the customer needs something else. If the customer responds by taking on a washing machine, the driver gets \$5. On each call the driver will knock on doors five houses to the left and right of the customer and drop off coupons, fliers or brochures.

"The majority of our business comes from our thank-you cards and in-house mailing program," Neyhart says. Neyhart sees any contact with new customers as an opportunity. For instance, thank-you letters routinely go out to every reference the new customer lists, along with the note, "Here's a \$25 coupon, come in and see us sometime." Neyhart even has what she calls an "Oops" letter. "If we make a mistake, we'll sign the letter and send it with an apology," she says.

A solid part of the "personalized service" routine involves a manager or owner calling the customer three days after a delivery. "We make sure that the delivery and installation proceeded as expected, that everything was done right and that the customer is happy," Neyhart says. "Sometimes deliveries run late or somebody forgets to deliver the remote to the VCR. What this allows us to do is take care of any problems and make sure we have a satisfied customer before any collection call takes place." In other words, a satisfied customer is not only apt to be a return customer, he will also be inclined to pay on time. Again, it's good communication that builds the relationship. The more effort that goes into the transaction early on, especially in terms of making clear that the customer understands the rental agreement, the payment date due and the reasons for the various provisions in the contract, the more committed the customer will be to honor it.

If there is a nonpayment, Neyhart doesn't believe the first response should be, as she says, "Either pay or I'll pick it up," for that just sets the person back on his heels. "What needs to be done is solving the problem. Find out the problem and then be a problem solver to help the customer pay. I call my collection principles the three F's - be fair, firm and friendly. Follow them and they will do good for you."

Energy and Enthusiasm Required

The three-day follow-up call by the manager or owner, in addition to nipping any problem in the bud, also builds in the added benefit of being able to find out how well the employees who went into the customer's home represented the company. "The call serves as a customer survey," Neyhart says. She explains that if the customer gives a positive response, the employee gets recognized as a part of the "Wow" program. "If the customer tells us that the employee took the old refrigerator to the road or moved the furniture around three times to get things looking right even though she knew he didn't have to, we'll put the customer's remarks and the employee's name up on the bulletin board."

The employees are recognized at weekly staff meetings and, once a month, the employee with the most or best "Wows" will receive some spontaneous appreciation, ranging from a free lunch to a \$100 bonus. "I look at myself as a cheerleader who encourages people to do their very best," Neyhart says. "I believe the two main attributes I bring to my business are energy and enthusiasm. If you have those qualities and tackle problems with a positive attitude, everything else will fall into place." Neyhart adds, "We work in terms of the buddy system. If someone is not performing quite the way he should, then we make the effort to pep him up, to bring him up to the high energy level that we want to have filling the store." Because Neyhart is striving to create a positive image in a business which sometimes has negative connotations to the public, she makes it her practice to hire new employees from outside the field. "This way they don't bring in any bad habits. We can train them that customer service is the key," Neyhart says.

An important dynamic to running a successful business is attracting the right employees. "You have to be able to find people who can respond to your energy level, to recruit them and then to keep them," Neyhart says. The key to high retention, she says, is training. Every quarter the company rents a hotel conference room and provides training for half the staff one day and the other half the next. Then there is ongoing, more informal training at the store. "Young managers are often afraid to educate their workers for they are in fear of losing their own jobs," Neyhart says. "But the more you educate, the easier your job is. If you have four people working under you and all of you are working at 100 percent capacity, that's much different than if you are working at 100 percent capacity and they are each working at only a 25 percent capacity."

Neyhart says, "There's something about motivating others to grow that really satisfies me. I've watched people I've trained develop and grow and then watched them move out to start their own stores. That gives me pride and helps motivate me to keep doing my best." In order to really bring the best out of people, Neyhart says, "you have to give them an opportunity to fulfill their dreams. It's not enough just to have them work for you. They have to feel that they have ownership in what they are doing. If you really want strong motivated people working for you, you have to share. You have to give them a part of the pie."

Performance evaluations take place twice a year, in which management and employees review goals for the past six months, determine how well the goals were met and project goals for the coming six months. "We talk about responsibilities and review specific categories, such as sales ability and customer service," Neyhart says. Pay raises are determined on an annual basis, resulting from these semi-annual conferences. Bonuses, however, are paid once a month. Account reps receive their bonuses on their credit closures per week and unit gain for each route. Sales associates are paid a percentage of new rental income. And managers are paid on profitability. As the employees grow the business, they grow both their incomes and their opportunity for advancement.

Neyhart's unique and personal approach to the rental-purchase business is paying off. "We

plan to open a new store next year," Neyhart says. "And hope not long after that to grow to six stores." With such a high level of determination, there is no doubt her stores will continue to promote a more positive image of the industry in the years to come.

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