

Insight

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McQuaig & Welk, PLLC

Solving Business and Organizational Challenges

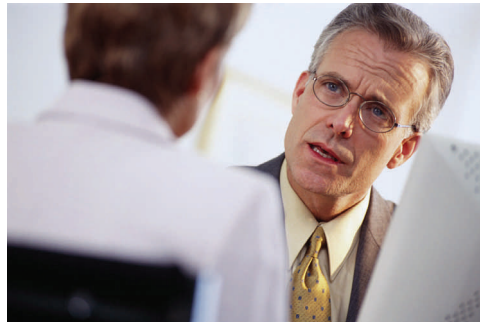
TALKING TO THE UNHAPPY CUSTOMER

Let's face it - the customer is not always right. What is always right is to treat them as if they were, because a customer will likely tell numerous people about their bad treatment at your business whereas they rarely pass on the good treatment experiences they have. After all, as customers they expect a good experience. No matter how much customer care training you conduct, some customers will end up dissatisfied with something. They may become so irate that they decide to confront you face-to-face to take the opportunity of venting their frustrations - at times rather abusively.

It's hard to take a dressing down patiently when the customer is obviously in the wrong. But by and large that is the approach you should train yourself, and your team, to take with complaining customers. Here are six practical tips to keep in mind when talking through a complaint with a customer - if you want to keep them as one.

1: Establish Exactly What The Customer Is Upset About

Listen carefully - actively - to the customer's complaint before trying to resolve it. Never let the customer go without getting enough information to make a sound decision about how to resolve the problem - calling them for more details will annoy them even further. Allow the customer to explain the situation, then, if necessary go back to ask further questions, clarify issues, or politely disagree. This phase also allows them to let off steam and nine times out of 10, just doing that has a calming effect.



2: Accept Ownership Of The Problem

Avoid getting involved in a point-by-point debate over the rights and wrongs of the situation. Nothing is more guaranteed to enrage a customer who already feels badly done by. Use 'I' language - "I will do whatever I can to help you.", "You are an important customer and I would like the opportunity to resolve this situation and make you happy." 'I' language shows the customer that you are taking responsibility to resolve the situation.

3: Take Complaints Professionally And Not Personally

Do not take a customer's anger personally. Remain objective and remember that they are upset with the situation, not necessarily with you. A professional demonstrates that they value complaints as a way of assessing where things have gone wrong in customer service and as an opportunity to win back customer loyalty.

4: Maintain Open Body Language And A Helpful Attitude

Your body language will express more than your words will as to what your real feelings are. It needs to be just as reassuring to customers as what you are telling them - that you are concerned, you want to hear their grievance, and that when you have all the information, you'll try to rectify the situation.

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Quotes:

"Try not to become a man of success but rather to become a man of value."

Albert Einstein

"In the End, we will remember not the words of our enemies, but the silence of our friends."

Martin Luther King Jr.

"The true treasure of a man is how he treats someone who can do him absolutely no good."

Samuel Johnson

THE REBATE CHECK IS IN THE MAIL

President Bush has signed the Economic Stimulus Act of 2008 (the Stimulus Act) into law. The focal point of the Stimulus Act is a provision that will result in about 130 million low-and middle-income individuals automatically receiving more than \$100 billion in tax rebates, likely starting in May. The rebates are being sent in an attempt to jump-start the economy. Business incentives and residential mortgage relief provisions are also included in the Stimulus Act.

Basic Rebates. Eligible taxpayers will generally receive a minimum of \$300 for single filers and \$600 for married joint filers. To get the minimum \$300 or \$600 rebate, individuals must have either (a) \$3,000 from earned income, Social Security benefits, and certain veteran's benefits, or (b) pay at least \$1 in federal taxes and have gross income exceeding \$8,750 for single filers or \$17,500 for joint filers. The rebate can be as high as \$600 for single filers and \$1,200 for joint filers if their 2007 net federal income tax liability exceeds \$300 and \$600, respectively. Simply stated, an unmarried taxpayer who pays no income tax could potentially qualify for the \$300 minimum rebate. A married couple filing a joint return who, for example, paid \$2,000 of federal income tax could potentially qualify for the \$1,200 maximum rebate.

Example #1: Minimum basic rebate based on Social Security income. Linda is single with no children. Her 2007 net federal income tax liability is zero, but she received \$10,750 of Social Security benefits and had no other 2007 income. Linda is entitled to a \$300 minimum rebate based on having at least \$3,000 of Social Security benefits.

Example #2: Maximum rebate. Carl and Carol are married joint filers with no children. Their 2007 federal tax liability is \$2,000. They qualify for a \$1,200 rebate: their federal tax liability exceeds \$600, but they are limited to a maximum rebate of \$1,200.

Child Rebates. Anyone qualifying for the basic rebate is also potentially eligible to receive an additional rebate of \$300 for each qualifying child. There is no cap on the number of qualifying children. To qualify, a child must be under age 17 at year-end and be the taxpayer's qualifying child for dependency exemption deduction purposes.

Example #3: Combined basic and child rebates. Becky and Bart are joint filers with one qualifying child and a 2007 tax liability of \$2,000. They are entitled to a \$1,200 basic rebate and a \$300 child rebate for a total rebate of \$1,500.

Income Limitations. Congress insisted that the rebates be

limited to low-and middle-income individuals. The rebates are phased-out for unmarried taxpayers with adjusted gross income (AGI) above \$75,000 and for married joint filers with AGI above \$150,000. Rebates are reduced by 5% of any excess above the applicable threshold amounts of \$75,000 and \$150,000, respectively. Therefore, an unmarried taxpayer's \$600 rebate is phased out when his or her income reaches \$87,000 (no qualifying children). A married couple's \$1,200 rebate is completely phased out when AGI reaches \$174,000 (assuming they have no qualifying children).

Example #4: Phase-out rule without child rebate. Gary is a single filer with AGI of \$82,000, a tax liability in excess of \$600, and no qualifying children. Without the phase-out rule, he would be entitled to a \$600 rebate. However, his rebate is reduced to only \$250 [$\$600 - (.05 \times \$7,000 \text{ excess AGI}) = \250] due to the phase-out rule.

Example #5: Phase-out rule with child rebate. Rob and Rhonda are joint filers with an AGI of \$175,000, a 2007 federal income tax liability exceeding \$1,800, and two qualifying children. Without the phase-out rule, they would be entitled to a basic rebate of \$1,200, plus two \$300 child rebates for a total of \$1,800. However, since their AGI exceeds \$150,000, their rebate is reduced to just \$550 [$\$1,800 - (.05 \times \$25,000 \text{ excess AGI}) = \550] due to the phase-out rule. If their AGI had been \$186,000 or more, their entire rebate would have been zero because of the phase-out rule.

Mechanics. The government will automatically issue rebates by check or by direct deposit based on information regarding income, tax liability, and qualifying children from your 2007 tax return, or based on a certification of 2007 benefit payments from the Social Security Administration or Veterans Administration. Therefore, individuals will have to file Form 1040 or 1040A for 2007 to get a rebate in 2008, even if they are not otherwise required to file a 2007 return because of low income.

The intent of the rebate program is for taxpayers to spend the rebate checks and boost the struggling economy. So, you cannot use a rebate to offset your 2007 federal income tax bill, nor can you apply a rebate to your 2008 estimated tax payment obligation.

Ineligible Taxpayers. Rebates are not available to any individual who can be claimed as a dependent on another taxpayer's return. In addition, nonresident aliens, estates and trusts are not eligible to receive a tax rebate.

We hope this coverage of the rebate provisions in the Stimulus Act has helped answer your questions concerning the eligibility for and amount of the potential tax rebate you may receive. Please call us if you have questions about the Stimulus Act or any other tax planning or compliance issue.



TALKING TO THE UNHAPPY CUSTOMER (CONT. FROM PAGE 1)

5: Apologize Even If The Matter Is Not Your Fault

Marketing research done by major companies tells us why it is important to take the attitude that ‘the customer is always right’. A customer who has a bad experience generally tells 10 other people about it. Simply saying, “*I’m sorry. What can I do to make you happy?*” can stop the complainer in their tracks and prevent the spread of bad PR.

6: Be Able To Say “No” To The Customer (Tactfully)

On occasion a complaint may be clearly spurious and it will not be possible to give the customer the sort of satisfaction they are seeking. If you cannot give the customer what they want, explain exactly why. Saying “No” requires tact and

diplomacy.

Ultimately, customers will assess your response to their complaint, and judge you accordingly, using three criteria: how they were treated (the politeness, empathy, effort, and honesty of the personnel who dealt with them); the process they were put through (how responsive your people were to their grievance, as well as how fast and simple the overall process was - the longer customers have to wait to get answers, the more dissatisfied they are); and the complaint outcome (has it left them feeling satisfied with the way you handled things). Curiously, a well handled complaint can be a powerful driver of customer loyalty.

IRS WARNS OF TELEPHONE SCAM RELATED TO REBATES

The Economic Stimulus Act of 2008 (the Stimulus Act) provides tax rebates for millions of eligible individuals (see the related page 2 article). Even before the Stimulus Act became law, the IRS warned taxpayers that scammers were already using the word “rebate” as bait in fraudulent activities to induce innocent victims to reveal their identity to the scammer. Typically, identity thieves use a victim’s personal and financial data to empty the victim’s financial accounts, run up charges on the victim’s existing

credit cards, and apply for new loans, credit cards, services, or benefits in the victim’s name. Most of these fraudulent activities can be committed electronically from a remote location, even overseas.

So, please contact us if you receive any suspicious phone calls or emails related to rebates or other issues that purportedly come from the IRS.

TAX CALENDAR

April 15—Besides being the last day to file (or extend) your 2007 personal return and pay any tax that is due, 2008 first quarter estimated tax payments for individuals, trusts, and calendar-year corporations are due today. So are 2007 returns for trusts and calendar-year estates, partnerships, and LLCs, plus any final contribution you plan to make to an IRA or Education Savings Account for 2007. SEP and Keogh contributions are also due today if your return is not being extended.

—If you need to file a 2007 gift tax return, it also must be filed or extended by this date.

—If you paid cash wages of \$1,500 or more in 2007 to a household employee, you must file Schedule H by this date. You may also have to report any federal unemployment tax paid and any income tax you withheld for your household employees.

April 30—If you have employees, a federal unemployment tax (FUTA) deposit is due if the FUTA liability through March 31 exceeds \$500.

—Most employers must file Form 941 (Employer’s Quarterly Federal Tax Return) to report Medicare, social security, and income taxes withheld in the first quarter of 2008. If your tax liability is less than \$2,500, you can pay it in full with a timely filed return. If you deposited the tax for the quarter in full and on time, you have until May 12 to file the return.

June 16—Second quarter estimated tax payments for individuals, trusts, and calendar-year corporations are due today.



April 15th is just
around the corner

Let’s Talk!
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CLEAR FOCUS IS RATED IN THE TOP 100 MSP'S IN THE WORLD

Our sister company, Clear Focus, was just ranked 89th out of more than 500 Managed Service Providers across the globe. A managed service provider is a company that offers outsourcing of an IT function, such as data security, backup, e-mail, internet, etc. Managed service providers also monitor and fix computer networks proactively; often remotely rather than having to work hands-on at a client's office.

The ranking was compiled using an index measurement calculating overall managed services revenue, overall managed services growth, number of computers managed and other data.

Clear Focus is one of the early adopters and leaders of the MSP model. The MSP industry has been rapidly growing across the country.

“We are very excited to be in the Top 100 MSP’s in the World. We knew businesses needed a higher level of service than traditional computer repair companies could offer and this is clearly the trend for the future,” said Doug McLeod, President of Clear Focus, Inc.

About Clear Focus

Clear Focus provides a suite of managed services for small to midsized businesses allowing for end user support, network management, and strategic growth. Clear Focus delivers the same level of complete technical support found at large companies but at an affordable cost, charging clients a flat monthly fee. Clear Focus is continually improving the value of its services and focuses on making its customers more efficient, productive, and satisfied with their technology investments. Located in Wenatchee, Washington, Clear Focus provides services to a wide range of clients ranging from nonprofit organizations, professional service firms and manufacturing companies.

For more information on Clear Focus, visit
www.clearfocus.net or call 509.663.7000.



CLEAR FOCUS
COMPLETING THE IT PUZZLE