

ShopTalk



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Social Media: A New Technology?

I think all the excitement about social media as an innovative marketing tool is hilarious. As if it's something new?

Have you ever gone to your local chamber of commerce member socials? Very often they are evening receptions, and they have sponsors that provide food and an open bar. Many business owners within the community go to these chamber of commerce events to network.

When you go to this event for the first time, what do you do? You walk into the room, you're confronted with all these people you don't know and you scan all the faces to find a familiar one. The moment you find someone you know, you walk across the room and say hi to your old friend. Let's call him George. You say "Hey, George, how are you doing? I'm so glad to see you at this event."

While you are connecting with George, Sally walks up to George because Sally also recognized him. What's the natural thing to do? George is

going to introduce you to Sally. Now you have met someone you had not met before. While you're talking to Sally, someone comes up to you that recognized you, and so you introduce him to George and Sally. Then another person comes up to Sally that neither you nor George knows, so everybody introduces each other. The group gets bigger, and the number of people you know grows each time you attend a meeting. That is the essence of social media. It's connecting with the people you know so you can meet the people they know and thus broaden your network.

While many shop owners find such networking useful to an extent, typically they leave those chamber events to the Realtors, life insurance sales reps and stock brokers.

Social media sites such as Facebook are similar to live networking events – it's just that you don't have to actually talk. I'm not saying you should ignore social media; I'm just saying you should ignore some of the hype and keep the marketing opportunity in perspective.

there's no limit to the amount of time you can spend (or waste). Do you really think it helps your business when you "like" a cat rapping video?

But what about advertising? Sure, advertising can be powerful. But isn't that similar to sponsoring those local chamber networking events? Not anything new.

I'm not knocking social media, it has its place. It's just that all of us have to keep it in perspective.

Social media sites such as Facebook reach customers you aren't likely to reach through radio and newspaper advertising. Investing in social media advertising puts you in front of an entirely new generation.

Don't know how to do it? You didn't know how to run ads in the newspaper, either. A sales representative showed up and walked you through the process.

In social media, there aren't sales representatives, yet. For now, it's a do-it-yourself proposition. The good news of that is it's a lot cheaper than if there were a sales rep making a call on your shop. But you are going to have to learn how to do it.

But guess what, you have an advantage over the other shops in your community. You want to know why? You have a coach who knows what to do and is happy to walk you through the process. Isn't that great? And our coach has only your best interest at heart. He's not like the ad sales rep who is always telling you to increase the size of your ad and to run it in color.

While social media is nothing new, it is important. The new generation raising families today is canceling their newspaper subscriptions, ignoring television unless a show is "on demand" and spending more time online. And the best part is you already know how to use social media because it's the same networking you've been doing for years. The only difference is today you don't have to leave your house to do it. **ATI**



Bob Ward Gets Out of the Bay and Into His Business

When Bob Ward of Midas Muffler & Brake Shop in St. Thomas, Ontario, Canada, gets his weekly call from his ATI coach, George, one of the main things they cover is whether or not Bob has spent too much time in the repair bays.

“George is making sure I’m not working in the bays,” Bob explains. “All of the projects he’s giving me on our weekly calls are projects I cannot do if I’m working in the bay.”

Like many auto shop owners, Bob got his start in the business as a young boy. His grandfather owned a station, and Bob spent his summers pumping gas and working in the garage. While in college, he continued to work part-time at a gas station as he worked toward a teaching degree. But teaching wasn’t in Bob’s future.

“When I graduated from Western, I didn’t get a job in the field I wanted, so I ended up working in a gas station and became an apprentice to become a licensed auto repair technician,” Bob

relates. “I worked at several independent shops for about eight years, and then I got into the Midas business as a technician. I ended up becoming a shop manager.”

Bob’s transition from manager to owner came when his employer hired a general manager who didn’t share Bob’s vision for the business.



“I didn’t like his methodology or his ideals, so I started looking for an opportunity,” Bob recalls. “There was an opening at a Midas store just south of London, so I bought into it in 1991.”

Five years later, Bob met Chubby Frederick and joined ATI’s Shop Re-Engineering Program.

“After the Re-Engineering Program, like so many people, I figured I had the world by the tail and thought I didn’t need ATI anymore,” Bob says, shaking his head. “So I left. But then my goals changed, and I wasn’t getting where I wanted. So we went to a SuperConference about six or seven years ago, and we’ve been back in ATI coaching ever since.”

Bob found that without the support of his ATI coach, his sales weren’t growing and profitability was dropping. Getting back into coaching helped him find the solutions to his problems.

“I knew I needed help,” Bob says. “I figured if I treated everybody right, customers would keep coming in. But the complexity of the >>

Sam’s Corner

What Got Us There, Might Not Keep Us There

Those of you who attended SuperConference witnessed my presentation on this important subject, as well as other presentations by many great speakers. According to veteran attendees, SuperConference 2012 was the best ever.

My presentation was directed toward the clients that have succeeded in hitting their cash profit goals and wanted to know how to keep it going for decades! I studied three clients: Billy and Doug Hillmuth, Eddie Cleveland and Walt Egar. These clients have made 10 times the profits of other shops in their area for three decades, never having a bad year! The idea came to me after reading the new book by Jim Collins and Morten T. Hansen, “Great By Choice,” where they showcase seven companies (called 10-timers) that made 10 times the earnings of comparable companies in their industry for over three decades. The companies I chose from the book were Microsoft, Southwest Airlines and Progressive Insurance. The book focused on the leaders of these companies, trying to identify similarities in their behavior. The most interesting observation to me was that many of you had the same behavioral traits as these leaders. Some might have said these traits were weaknesses, but clearly not if you want to remain extremely successful over a long period of time. My job at ATI is to help you achieve your goals and to keep

you from slipping back into bad habits that used to prevent you from reaching your goals in the first place.

The myth that 10-times successful leaders were bold risk-taking visionaries was not true. In order to be a 10-timer for three to four decades, the best leaders were disciplined and more analytical, and exhibited productive paranoia (preparing for the worst). Another myth was that these companies were luckier. But in fact, comparable companies all had lots of good and bad luck – the difference was their Return on Luck! Also, the 10-timers had Level 5 Ambition. This describes the behavior of leaders with incredible passion first and foremost for the cause, for the company, for the work, not for themselves.

This fanatic discipline meant having the inner will to do whatever it takes, while being consistent with values, long-term goals and culture. Southwest Airlines only grew into four cities a year when hundreds wanted their airline in their city. Many of our shop owners grew consistently and conservatively never altering their culture.

The 10-timers did not rely on conventional wisdom but depended on analytical evidence when faced with uncertainty. The Hillmuths created a Total Lifetime Care Program after

seven years of testing, and they opened four locations only after each one hit their key performance goals.

Productive paranoia assumes conditions will turn against them at perhaps the worst possible moment. They channel their fear and worry into action, developing contingency plans, building buffers and maintaining large safety margins. Our 10-timers have large cash reserves and lines of credit. Bill Gates of Microsoft was one of the most paranoid leaders in history, demanding one year of cash reserves in the event they didn’t make a sale for 12 months.

What can you do to turn your weakest behavior into your strongest so you can stay the best for decades, never having a bad year? Talk it over with your coach so we can help you grow in the area you are the weakest. Join a 20 Group so you can stay on top of developments that are happening in other areas and that might be coming your way soon.

Peter Drucker said that the best – perhaps the only – way to predict the future is to create it.



Ready for the Summer Fireworks?

By George Zeeks



Summer is the season for cookouts, fireworks, sweltering heat and busy days in the shop. We all know the reasons why the summer is one of the busiest times of the year. The extra precaution to make sure the car doesn't

break down on the drive to vacation, along with the extra load on the car from the heat. The almost constant running of the AC in some markets and heaven protect us if it isn't blowing cold. Here is the question that I have for you out there in the auto shops. If we know that it is going to be busier, what have we done to predict what our staffing model will need to be to handle the load? I know that some of you out there feel that your current staff will handle the load just fine. They may have to work harder but they will make more so it will all work out. Let's look at a couple of key areas and how we can measure them to make sure we are set for the summer.

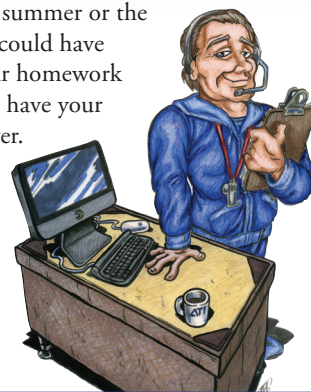
Why don't we start with review of last year? After all, it was a whole year ago and sometimes our memory can play tricks on us. Pull a service summary report or the actual ROs from each of the three big summer months and look at the number of oil changes you did last year during those periods. Your consumers know they need to get their oil changed, but they have a bit more "top of mind awareness" right before they take a trip. The pattern of when they come in and the speed they need from you for the service is also likely to change. In the Baltimore-Washington market we see a big increase in Saturday morning oil changes, and that can be a real problem if you are not staffed for it. The

timing of the service is crucial if you want to help the customer get the other things done that the car needs. A great way to help supplement the staff without a permanent burden to your payroll is part-time staffing. Stop shaking your head. I have already heard what you're thinking and if you believe they won't do the job right, then you have a systems and training problem in your store. I used part-time staffing for almost 15 of my 20+ years and, as long as you train them properly, you can have great results. They can do the courtesy check with minimal training and with today's modern flush machines, most employees can be trained without problems. Great sources of potential employees are the trade schools, such as UTI, Lincoln Technical Institute and community college automotive programs. You don't want to put on a full-time tech and then let them go in the fall. The part-time employees have virtually no employee load since they are part-time, and you end up with a high labor margin off of their work. This all depends on whether you have trained them properly and have set the production standard that you need. Think about it – real hard.

While we are looking at last year, take a hard look at the number of AC services you did. Was it hard to get them all done? Did you have to turn away or reschedule some of them? Did some just go to another shop? If you don't have the trained staff to handle that load, then look into AC training now for an additional member of your current staff. Make sure you have the inventory to satisfy the projected need. Your staff may have changed since last summer and you can't afford to ask customers to wait for long. When people are hot they want to be cool, NOW! Finally, run your AC machine through

some test cars to make sure that all is OK and we don't start the season with equipment that needs service and miss an opportunity. Keep in mind that training in your shop should be an ongoing and constant thing. The more emphasis you place on knowledge and expertise, the better your shop culture will become. People that are good at their job want to work with others that are good, not some slaphappy, knuckle-dragging cretin. Have your techs take some time each week or month to demonstrate to the others some skill or "trick of the trade" that they have learned over the years. It will make them feel good, bond the crew tighter together and raise the knowledge level of the entire shop.

We only had time to touch on two things, and we all know there are tons of things that we could put in here. Look at the labor hour inventory that you will need to have to be able to handle your summer demand. If the phrase "labor hour inventory" sounds new to you, then you need to review it with your Coach. It simply means the number of hours that your staff can realistically turn on a given week. Then you need to compare that with the hours you turned last summer or the hours that you could have turned. Do your homework now so you can have your best summer ever. Remember, you don't get the summer off from school anymore!!



>> cars required me to hire different technicians, and I'm not good at hiring. I needed some training to get myself back to being a business owner and not a shop guy working on the floor. Actually it was my wife who said, "You know, we've got to get back with ATI."

Today Bob says he is more focused on running his business and completing the projects his ATI coach gives him. That means less time in the bays and more time learning and fine-tuning new skills.

"George has helped us to increase our social media savvy," Bob says, "because that is where the wave is going. We're starting to advertise

more, and we're getting our name out there because more people are looking for sources of information on the Internet than they are the old school way. So we're putting video testimonials up on our website."

Bob says ATI training is important because it makes him look at areas of his business to improve where he normally wouldn't look. And that translates into increased profits.

"Now we're measuring productivity with the techs," Bob explains. "Our coach has us look at three or four different reports, compile that data and then do manual calculations. By looking at those figures and those different reports, I know

when something's not right. I didn't do that before ATI coaching."






With the business end of his shop running smoothly, now Bob is able to focus on purchasing land and building a new shop.

"That's how ATI is benefiting me," Bob says. "It's giving me more time to be able to work on my business because I'm not in the shop. The key is to listen to your coach. More important, you have to be completely open with your coach and tell him all of your plans—short, medium and long range—so he can help you focus on key areas of your business." **ATI**

Your Available Training Programs for April and May 2012




April 2012

Monday Tuesday Wednesday Thursday Friday Saturday/Sunday

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| 2 Service Advisor 1 of 4 | 3 Service Advisor 2 of 4 | 4 | 5 | 6 | 7/8 Passover Easter |
| 9 | 10 | 11 Shop Owner 7 of 9 | 12 Shop Owner 8 of 9 California S.A. 1 of 4 | 13 Shop Owner 8 of 9 California S.A. 1 of 4 | 14/15 |
| 16 Service Advisor 3 of 4 | 17 Service Advisor 4 of 4 | 18 | 19 20 Group Baltimore | 20 20 Group Baltimore | 21/22 |
| 23 | 24 | 25 Shop Owner 1 of 9 | 26 Shop Owner 2 of 9 | 27 Shop Owner 3 of 9 | 28/29 |
| 30 Service Advisor 20 Group |  |  |  |  |  |

May 2012

Monday Tuesday Wednesday Thursday Friday Saturday/Sunday

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| 7 Service Advisor 20 Group | 8 Service Advisor 20 Group | 9 Shop Owner 7 of 9 | 10 Shop Owner 8 of 9 MasterMind California S.A. 3 of 4 | 11 Shop Owner 9 of 9 MasterMind California S.A. 4 of 4 | 12/13 Mother's Day |
| 14 | 15 | 16 | 17 20 Group Baltimore 5 | 18 20 Group Baltimore 5 | 19/20 |
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