

# ShopTalk



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March 2013

## The Countdown Continues

Wow! Our SuperConference 2013 is just a few days away. I can't believe how time flies. My favorite part of our SuperConference is the awards ceremony as we wrap up the conference. Why? you ask. Because this is where I get the opportunity to acknowledge the hard work and passion of a select few award winners with 20-Group awards, Re-Engineering and Alumni "Best of" and "Most Improved" awards, and of course the Big Daddy of them all, ATI's National Top Shop award.

As you may have already seen, ATI starts with the Top 150 producing shops in the ATI family. From there, using a selection process based on a points scoring system, the Top 75, the Top 50 and the Top 25 shops were selected.

### Here are the ATI Top 25 Shops:

Accurate Automotive	Mesa	AZ	Lee and Kelly	Weatherby
ARS Fleet Service	Newport	DE	Patrick	Connell
Bob's Main Street Auto & Towing	West Bend	WI	Bill and Laurie	Rate
Bransfield Motor Co.	Reisterstown	MD	John	Eichler
Caton Auto Clinic Mall	Catonsville	MD	Kenneth	Steinbach
Empire Automotive Inc.	Petaluma	CA	Chuck	Robfogel
Fifth Gear Automotive	Lewisville	TX	Bill Bernick and Rick	Jordan
Grassland Car Care Center	Franklin	TN	Rodger	Cochran
Haglin Automotive Inc.	Boulder	CO	Dana and Judi	Haglin
High Sierra Auto & Truck Repair	Ridgecrest	CA	Rusty and Tina	Warren
Hillmuth Certified Automotive - Clarksville	Clarksville	MD	Doug and Bill	Hillmuth
Hogan & Sons Goodyear - Leesburg	Leesburg	VA	John, Phil, and Susan	Hogan
Mac's Service Center	Man	WV	Jack	McDaniels
Milstead Car Care	Conroe	TX	Mark	Milstead
Minh's Auto Care Center LLC	Brooklyn	NY	Tam	Truong
Performance Plus	Colorado Springs	CO	Greg and Patti	Budwine
Plymouth Auto & Tire Center	Plymouth Meeting	PA	Al	Torcini
Quality Motors	Laguna Niguel	CA	Mike	Leeches
Ray & Dana's Inman Auto Care	Colonia	NJ	Dana	Perone
Richfield Service	Richfield	WI	Tom	Helmers
Rieger Motor Sales	Forrest	IL	Kirk	Edelman
Rob'e Mans 2	Birmingham	AL	Eddie	Cleveland
Rob'e Mans Automotive Service	Birmingham	AL	Eddie	Cleveland
Rocha's Automotive Inc.	Fortuna	CA	James	Steenblock
S.A.S. German Auto	Pleasanton	CA	Ken	Benhamou
Taylor Company BMW	Pomona	CA	Bruce	Taylor
Walt Eger's Service Center	Severn	MD	Walt	Eger
Webster's Import Service Inc.	Greensboro	NC	Roger	Webster
Werner's Mercedes & BMW	Salt Lake City	UT	Ron	Drietzler
West Town Monona Tire	Madison	WI	Gary	Pivotto
Westlake Independent Service	Westlake Village	CA	Bruce	Nation
Willoughby Hills Auto Repair	Willoughby Hills	OH	John	Fowle

Well, actually they are the Top 32. We had an eight-way tie for the 25th spot. From this group of great shops, the Top 12 and ultimately the ATI Top Shop for 2012 will be chosen. But you will have to wait until Saturday, March 16, to see the winners of these prestigious awards. See you in Arizona.



# Collision Shops Need ATI Re-Engineering Too!

By Tom McGee



Today's collision repair industry is not the same as it was when most of us started. Most started by just wanting to fix cars. Today's collision shop owner must master several skills, most of which have nothing to do with fixing cars. Let's look at nine key areas that you need to run a successful shop today.

## Accounting

Like any other business, your shop needs to be able to measure your financial performance. Not only do you need to measure your bottom line, you also need to measure sales, cost of goods sold, gross profit and your fixed expenses.

## Cost Control

In a typical repair, there are a variety of parts and materials that are required to be used. On many repairs, you may use several types of parts that most likely are purchased from a variety of sources. The same is true when you look at your paint and materials or labor costs. Measuring and monitoring the revenue and expense in each of these categories is a critical part of knowing



where you may have efficiency problems, waste in the shop or purchasing problems.

## Staffing

Surrounding yourself with the best people is important to your success. Even if you have the best people, it is just as important that they be able to work together as a team and share the vision that you have for your business. Your leadership skills, and the impact those skills have on hiring, managing and empowering your team, can greatly contribute to your business's success.

## Estimating

Identifying all the damage on a vehicle and determining each step that must be performed to complete the repair is where you generate your revenue. Not only do your estimators need to have a thorough understanding of the estimating systems that they use, they also need to be experts on damage analysis, vehicle technology, and negotiations. All while they build a relationship

with your customers and the insurers that your business works with. If your estimator doesn't properly manage the insurer's requirements, does the insurer fire your estimator? No, they fire your business.

## Collision Repairs

With the constant changes in vehicle technology, your technicians must have the knowledge; the proper tools, equipment and supplies; the right skills; and access to OEM information, to make proper repairs. Technology is significantly impacting your investment strategies for tools and equipment.

## Mechanical Repairs

If you haven't already made a decision to offer full-service mechanical repairs as part of your collision business, you may not have a choice in the future, as the need to perform recalibrations or diagnostics on electronic systems and parts becomes part of every collision repair.

## Defining and Implementing Processes

Consistency, predictability and continuous improvement are keys to success. To obtain these you must have standardized procedures throughout your business. How you answer the telephone, how you perform repairs, how you prepare the vehicle for customer delivery — all of these >>>

## Sam's Corner

### Chubby's Eight Keys to Creating a High-Performance Team

Having the luxury of being able to work *on* your business, not *in* it, gives you the time to create a strong culture that maintains a high-performance team. Once you have stabilized car count and created the business of your dreams, you have to maintain productivity. In highly effective organizations, everyone sets aside their egos and works cohesively as a team to achieve a common objective. If you can imagine a rowing team not synchronized in their strokes, then you can picture what can happen in our shops on a bad day.

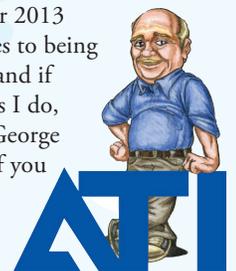
At ATI, you have heard in our Leadership course how important your culture is, because culture drives behavior and behavior drives productivity. An organization's culture is the commonly held set of values and principles that shows up in the everyday behavior of its people. Culture is not a beautiful crafted statement of values hanging on the wall. The question is do your employees behave like your values or theirs? I have seen many a mission statement where there should be a disclaimer under it that reads: "Our management team cannot be held responsible for the conduct of our employees."

Recently I met David Friedman, the author of a new book called "Fundamentally Different." He created the first step-by-step procedure to institutionalize your values and culture and inculcate them into your employees. He has done it in his company and many other businesses, including yours truly! A fundamental is an explanation of your core values using behavioral examples so your employees can see how it applies to their day-to-day life in your business. We created 24 fundamentals at ATI and printed them on a card called the ATI Way. If this is where we stopped, there would be no hope of institutionalizing our values and instilling them into our associates, so there are eight steps.

First, you need to declare your organization's values by thinking about things you believe in strongly. Second, you need to get the right people on your bus and create interview questions around your values. Third, you need to teach new hires and your people your behavioral fundamentals through demonstrations. Fourth, you must make them visible by a printed card and framed prints on your walls. Fifth, you must create rituals where

The Fundamental of The Week is discussed at every meeting and emailed every Sunday night. Sixth, you and your associates must coach each other using the specific language of your values. Here we must believe in each other's commitment and recognize that none of us is perfect. Seventh, we must lead by example because our people pay way more attention to what we do than to what we say. Finally, we have to make ourselves accountable by making the fundamentals part of our employee reviews to help them understand what we expect. At ATI we will be sending you, our employees and our vendors, a survey to ask how we are living up to our ATI Fundamentals. Did we almost always, usually, sometimes, seldom or never act in this way?

My plan is to expose our 2013 SuperConference attendees to being Fundamentally Different and if everyone believes in this as I do, we will make it a part of George Zeek's Leadership class. If you really want freedom from your business you need a strong culture!



# Phone Skills

By Don Walter



Since March 10, 1876, when Alexander Graham Bell spoke those first words “Mr. Watson, come here, I want to see you,” we have been using the phone for many different things. Just think how many times we’ve used the phone to sell a product.

What I have found in my 34 years in the automotive industry is that no one has been able to get this part right. From the large tire retailers to the independent shops, no one has come up with a perfect formula. The large retailers are always working on getting the phone skills right by giving employees long sales scripts to read. They often require monthly training for their associates, and still seem to change their script every six months. The large retailers pay people big money to put together a phone program that will bring customers in to their stores. They spend thousands of dollars a year hiring companies to call and grade their associates on how they perform on the phone, and what they find is scary. The average scores are only in the 60s, so just think of the opportunities out there.

Answering the phone is not the rocket science we all make it out to be. It all starts with a friendly greeting (a smile), and with being upbeat. We all have to learn that when the phone rings, there is someone on the other end of it who wants to spend *money* with us. That’s right, *money*, so think of the phone as a cash register.

I know we all face different challenges in our day-to-day worlds, but if you could use two or

three more customers a day, then this is one of the first places you need to look. I challenge everyone out there to call your competition, call your location or even record yourself and ask yourself “Would I spend my hard-earned money with that person?” You may be surprised with your answer. Right from the beginning, was the phone answered in three rings? Did the person thank you for calling their business? Did they identify their business and themselves? Did they ask how they can help you?

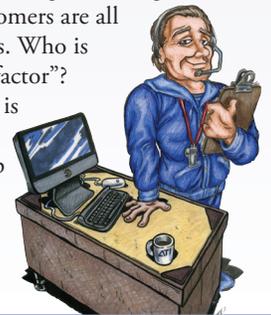
Use the five easy steps just mentioned to start off your conversation, and then listen carefully to the customer’s needs. You need to be concerned, to let them feel that you really care, and to show that you are the right person to help them. Now it is time to ask the customer’s name and make the connection by using their name in your conversation. Make it easy on them the whole time you are on the phone, because you are trying to sell yourself and your business so they will come to you to spend their hard-earned *money*, right? You want that customer to come in, so ask for the appointment, get their phone number or even better, ask them to come down now. Don’t be afraid to ask whether you have answered all the customer’s questions, whether we can do business together or what it is going to take. You need to lock that customer down; you don’t want them to call around.

Even with all the challenges we have in the course of a day, we have to learn to switch gears when that phone rings, because the average customer will call three different places before they make a decision on where they are going to spend their *money*. Who really wowed me?

Who acted like they really cared about my problem? Fixing the car right the first time is a by-product, because fixing cars right is our job! So just think what two or three more customers a day could do for your business. If you are having a car count problem and your techs are complaining they do not have enough cars to work on, then do you think we could fix this problem? We have to decide: are we in the customer service business?

We all know that the world is changing. The customer goes to the Internet first, and they do their research, buy and even make an appointment online. So maybe the phone doesn’t ring as much as it once did, but that means we have to do something different and better. If your customers can make online appointments with you, you still want to call the customer to confirm the time and date. You now have a chance to reaffirm that the customer made the right decision to spend their *money* with you.

The phone is the most important sales tool we have in our stores, so we need to start thinking of it that way. Every time it rings we must think “*money*,” because times are changing. Just fixing cars right is not good enough in this changing world. Customers are all about first impressions. Who is giving me that “wow factor”? A phone conversation is the first step in building a relationship with this customer. Now it’s time to get it right, right from the beginning!



>>> impact your efficiencies, cycle time, throughput and customer satisfaction. Identifying and documenting your procedures and processes also helps you set clear expectations for your staff and hold them accountable for the work they perform.

## Marketing

The brand of your business is critical to gaining repeat business and customer referrals, and to growing a source of new customers. Leveraging technology such as your website and social media plays a crucial part in your marketing strategies. It’s not about just fixing cars anymore. Technology can help you build relationships with vehicle owners by promoting the community support activities that many collision repair businesses do every day. Whether it is charity car washes, sponsoring youth sports teams, providing

vehicles to those less fortunate or supporting your local career and technical school or college, your marketing efforts can help you build strong local brand awareness and keep the vehicles rolling in to your business.

## Sales

Upselling and selling additional services that provide an opportunity to generate additional revenue is an important part of the sales process. At the same time, how your staff communicates and interacts with your customers and prospects is just as important. Developing and mastering your staff’s sales skills, as well as incorporating your additional services into your marketing strategy, can help bring you a constant flow of vehicles and increase your brand awareness.

As you can see from the items above, today’s collision repair business must have many

complicated processes working in concert each and every day. ATI has a Collision Re-Engineering Program that will provide you with the training and coaching you need to remain competitive in your local area and have the shop of your dreams.

*Tom McGee is the Director of ATI Collision. Prior to joining ATI, Tom was with ALLDATA, holding positions of Collision Industry Relations Manager, Collision Field Sales Manager and Collision National Accounts Manager. Tom was also on the I-CAR staff for more than 18 years, holding the positions of I-CAR President and CEO, Director of Industry Relations and Product Operations, and Technical Director. Tom was elected into the Collision Industry Hall of Eagles in 2001 and is an ASE certified Master Collision Repair/Refinish Technician and also has the ASE Damage Analysis and Estimating certification. Tom is an Automotive Collision Repair graduate of Ferris State College in Big Rapids, Michigan.*

# Your Available Training Programs for April and May 2013

April 2013					
Monday	Tuesday	Wednesday	Thursday	Friday	Saturday/Sunday
1	2	3 <b>Shop Owner</b> 1 of 9	4 <b>Shop Owner</b> 2 of 9	5 <b>Shop Owner</b> 3 of 9	6/7
8 <b>Service Advisor</b> 1 of 4	9 <b>Service Advisor</b> 2 of 4	10 <b>Shop Owner</b> 7 of 9	11 <b>Shop Owner</b> 8 of 9	12 <b>Shop Owner</b> 9 of 9	13/14
15 <b>Service Advisor</b> 3 of 4	16 <b>Service Advisor</b> 4 of 4	17	18	19	20/21
22 <b>Shop Owner</b> 4 of 9	23 <b>Shop Owner</b> 5 of 9	24 <b>Shop Owner</b> 6 of 9	25	26	27/28
29	30				

May 2013					
Monday	Tuesday	Wednesday	Thursday	Friday	Saturday/Sunday
		1 <b>Shop Owner</b> 1 of 9	2 <b>Shop Owner</b> 2 of 9	3 <b>Shop Owner</b> 3 of 9	4/5
6 <b>20 Group Leading Ladies</b>  <b>Service Advisor</b> 1 of 4	7 <b>20 Group Leading Ladies</b>  <b>Service Advisor</b> 2 of 4	8	9 <b>20 Group Baltimore</b> Rollin in Dough European Imports Profit Force Money Masters	10 <b>20 Group Baltimore</b> Rollin in Dough European Imports Profit Force Money Masters	11/12 Mother's Day
13	14	15 <b>Shop Owner</b> 4 of 9	16 <b>Master Mind Ohio</b>  <b>Shop Owner</b> 5 of 9	17 <b>Master Mind Ohio</b>  <b>Shop Owner</b> 6 of 9	18/19
20 <b>Service Advisor</b> 3 of 4  <b>Staffing &amp; Hiring</b> 1 of 2	21 <b>Service Advisor</b> 4 of 4  <b>Staffing &amp; Hiring</b> 2 of 2	22 <b>20 Group Baltimore</b> 20 for The Money Back In Black 20/20 Vision Score For More Nothin But Net	23 <b>20 Group Baltimore</b> 20 for The Money Back In Black 20/20 Vision Score For More Nothin But Net	24	25/26
27 Memorial Day	28	29 <b>Shop Owner</b> 7 of 9	30 <b>Shop Owner</b> 8 of 9	31 <b>Shop Owner</b> 9 of 9	

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