

PROFIT MOTIVE: YOUR COMPASS TO FINANCIAL SUCCESS

Technology equals opportunity Dividend yield

Today's cars are different than past models and should be treated as such

BY TOM MCGEE | CONTRIBUTING EDITOR

hink about your first cell phone and all the really cool functions that it had. My first cell phone was a "bag phone." As for cool functions, well, it made phone calls. There wer eno apps, Internet, videos or music. It was just a phone.

Just like cell phones, cars have added technology over the last several years. While there have been tremendous advancements, I couldn't tell you how many times I've heard: "I've been doing this for more than 30 years, and I know how to perform the repairs." Or, "They are still cars and nothing is really changing on them."

We have highly qualified individuals working in the collision industry. However, vehicle manufacturing and construction methods, accessories and safety systems have made it virtually impossible for anyone to remember everything about how to repair every vehicle they encounter.

It's not a '65 Mustang anymore

Several years ago, I did research to see what has changed over the years. I looked at the 1965 Mustang. The options on the Mustang were power steering and brakes; manual front disc brakes (V-8); deluxe retractable front seat belts; rear seat belts; padded visors; heavy-duty battery; radio and antenna; vinyl roof; tinted glass with banded windshield; and air conditioning.

What I didn't find on the 1965 model were advanced high strength steels; aluminum; composite plastics; carbon fiber; anti-lock brakes; stability control; multiple

airbags; collision avoidance systems; lane departure warning systems; or blind spot detection systems. Today's cars aren't the same as the 1965 Mustang, or even a car made five years ago.

Importance of documentation

Documented repair procedures have multiple positive impacts. First, a detailed repair plan helps us better determine actual repair costs. Second, if we itemize out what needs to be done while creating the repair plan, we become more efficient in our parts ordering process. Third, it improves our key performance indicators (KPIs). By reducing delays in the repair process, we also have a greater chance of reducing cycle time, improving touch time and delivering the vehicle on the date promised.

Negotiations

Having documentation can aid the shop in any negotiations that take place with an insurance company. Just like the shop's staff, the insurance companies' staffs have the same difficulty in knowing exactly what needs to be done to every vehicle they encounter. Documentation that helps in successful negotiations can be the OEM repair procedure and inquiry responses

from the Database Enhancement Gateway (DEG), which can be found at www. degweb.org. Having documentation can help bridge the knowledge gap and create a level playing field that allows the right repair decisions to be made at the beginning of the repair process.

Documentation packet

For many years, we didn't see the need for documenting what we did in the repair process. To help manage the change that needs to be made, start with small changes and expand over time. With the need to have supporting documentation today, I suggest that the initial documentation packet be created while the repair plan is generated. Store a set of the documents as .pdf files on the server with your digital photos of the vehicle and print a hard copy for the technicians to work from. This should be incorporated into your standard operating procedures. Once your staff is efficient at developing the initial set of documentation, expand it to include one or two more areas.

Technology is an opportunity

Look at technology as an opportunity. As new technologies are introduced, we can increase sales and profits and market our services to specific groups. We have created a list of seven technology-related items for you to consider when creating a documentation packet for the vehicles you repair. Try it free for a limited time by going to www.ationlinetraining.com/abrn1408. It also makes a great tool for training your staff on how the work they do makes a difference to the business.

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