



Issue 3

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Inspirational Leadership, The Most Powerful Force In The Universe!

By John Lewis

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Upcoming Courses:

Shop Owners

April 5-7	1
April 19-21	1
May 10-12	1
May 17-19	1

Service Managers

April 3-4	1
April 10-11	1
April 24-25	1
May 8-9	1
May 22-23	1
May 25-26	1

Advanced

Service Managers

May 1-3	1
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The truth is the most powerful force in the universe. When I share this message with others it is received with mixed reactions and responses that range from acceptance to complete disbelief. Let me share with you how deep and true this brief message is. As you run your business, (or it runs you) lead your people and do your very best to exceed your customers expectations and make a profit. Your ability to see and understand the truth clearly, unadulterated by belief systems, emotions, ego, politics, etc, is the foundation for the future of your business and your life. Very few of us are able to strip away all of the above. Perception (the way we see reality) is a little different for each of us and considerably different for a few of us. The information age is rapidly turning into the misinformation age as politicians & leaders spin the news, misleading internet information abounds while corrupt or irresponsible computer wizards create everything from perfectly crafted doctored photographs to viruses that create business havoc.

Vision is the ability to see in your mind the correct course to take with your business successfully today and into the years ahead.

Whether you want to grow or keep it the way it is depends on how clearly you see the truth. The more your belief system is clouded by untruths and misinformation, the greater your chances of failing to make the correct decisions.

The first responsibility of a leader is to define reality. The second responsibility of a leader is to be a good servant to his people, caring for their

with it and move forward. Changing often involves doing things we have never done before. We step into the unknown, armed with experience & only the information at hand. If we are fortunate, a good mentor (your coach) will guide us. As leaders we must learn to be comfortable being uncomfortable.

We must remember that as Robert Fulghum said, "All I really need to know I learned in Kindergarten." If we have the fundamentals down pat and live by them we can move forward trusting our guts to do the right thing at the right time.

Changing what we do or how we do it involves risk and being able to see the automotive service business as it really is and its coming trends rather than the way we would like it to be is a major key to our success.

We must avoid analysis paralysis. Make decisions based on the information we have and take action now. As new information & situations develop, we can learn from our experience, and correct our course along the way. Doing it, taking action now on whatever should be done is far more important than getting it right and perfect from the start. Doing it until it gets done is a very simple process of starting & relentlessly moving forward



wellbeing, measuring their performance, being candid with them, providing them with the environment, tools and accurate information they need to do their very best work. The last responsibility is humility and to say thank you to his people and the customers who make the business a success. Please note that word humility for by far and away the worst disease that can afflict a leader is egotism.

Uncertainty will always be a part of the leadership process. The cause is the ever-changing business landscape and our need to change

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in spite of all obstacles that pop up along the way.

In our very busy worlds it seems as though there is never enough time. Of course we all know that we all get the same 24 hrs. to work our magic every day. The key to having enough time to do what we desire to do is setting the correct priorities, eliminating "busy work" and utilizing people properly. In my next article about Inspirational Leadership, I am going to address the "more time" issue through the eyes & experiences of one of the great business leaders of the 20th century, Harold Geneen, and see how we might apply some of his wisdom regarding time utilization to running automotive repair businesses. For those of you that do not know, Harold Geneen inherited ITT, a stodgy, old line telecommunications company when he was recruited to be



its president in 1959. It was doing approximately \$766 million per year when he took the reigns and by the time he retired as president in 1979 he had transformed it into a powerhouse conglomerate doing \$22 billion dollars a year. One would think that based upon his accomplishments that somehow he must have found a magic formula that gave him more hours in a day. NOT! Let's all see what we can learn from Mr. Geneen about time utilization and leadership. Until then, see the truth, take action, and lead on.

Isn't it Time for Free Time?

By Chris Frederick



I meet a lot of owners who want more time for family, more time for hobbies...more free time. Even though thousands of U.S. business owners have already discovered how to be absent and still make money, most of us cannot pull it off. It requires finding good, honest employees, keeping them happy and training them to be as good as you. Is it difficult? You bet! But it is not impossible. Here's how we get it done.

We deal with the "separation anxiety." When I move owners off the front counter, gross profit usually goes up because they are no longer giving so much away. New cash flow is a welcome result, of course, but they often express the nagging doubt, "But no one can do it like I can." The goal is to find someone as good as or better than you, then get out of their way.

Last year, we installed video cameras at the Institute so I could watch my employees while on vacation in Florida. After a few days, I was able to go fishing and after a couple of weeks of watching things run smoothly, I only looked in once a day. We had a record month! Most importantly, I learned that, like most owners, I am not impossible to replace.

To find the right person to run your business, start by asking for referrals from your associates and other owners. Good people usually associate with and recommend other good people. If you run an ad, use a \$3,000 signing bonus payable @ \$100 a week (for as long as

they stay. Just build it in the compensation package). Don't try to sell a candidate over the phone. Rather, once you are convinced of their capabilities, schedule an interview to determine their competence.

Asking why they left the last 3 jobs will often give you valuable insight. You're looking for honesty, integrity and the ability to build and maintain client relationships. Ask your associates to "hang out" with the applicant and give you their opinions. They have to like him as well!

Invite candidates who are still in the running at this point to a recruiting dinner with their significant other. Spouses have a lot to say about whether and when new jobs are accepted. When you and your significant other take them to their favorite restaurant and build a relationship over dinner, there is a 95% chance they will join your firm. If you make a job offer, ask for a decision by morning. Tell them you are going out to dinner with another applicant tomorrow night. If this makes you uncomfortable... GOOD! Recruiting key associates is not a passive sport. You must be aggressive.

Introduce your new associate to your clients as they arrive for service. As client relationships are being built, invest in a relationship-based sales training course. Since tires and automobiles are much more reliable than they used to be, you need a salesperson who can sell maintenance to customers whose cars are not broken and who are not in pain. The day of the order taker is over!!!

Once your new associate can sell, it's time to begin building a leader. The #1 reason why most owners don't have more free time is their service manager's inability to lead the team. You need a manager that your technicians and

other associates will follow. Personality traits like honesty and integrity are necessary, but getting people to follow a leader is an acquired skill. Great leaders can get everything to work in concert so your business nets 20%-30% cash profits. Invest in your replacement's leadership education, then tune up that skill every year.

As your key associate masters both relationship-based selling & leadership, you have to manage the changeover process. There are over 30 key performance indicators to measure in the quest to net 20%-30% in a tire dealership. Implement a compensation plan based on sales, gross profit and customer satisfaction - a weekly variable pay plan based on a shop goal of 54% gross profit (sales minus people and parts) along with a quarterly bonus of \$2,000 upon achievement of a 95% customer satisfaction index score.

The manager is responsible for gross profit. You are responsible for expenses. When your key manager produces 54% gross profit and you hold expenses to 25% of sales, you will net 29% cash profits. So many of our clients have managers who do this. Some of these key managers earn \$100,000 or more! Would you be willing to pay your manager \$100,000 to earn you \$250,000 and give you a life? Let your compensation package manage this or you will never be able to leave.

All told, it might take 6 months to a year before you can leave the business in the hands of your key manager. But, you will finally have a business that gives you a life instead of taking it away. So many are doing it. Why not you?



ATTENTION SHOP OWNERS AND MANAGERS:
If you have something you would like to share,
e-mail your coach or ATI at
office@autotraining.net.

Leadership and the Courtesy Check

By Brian Canning



In searching for ways to improve their businesses, many of the clients I speak to are determined that there must be something more exciting and exotic than the courtesy check. There must be some secret formula or strategy or at the very least we must have a magic pill that will both cure the common cold, prevent baldness and drive car count and sales through the roof. Many of these clients are determined that car count and marketing are their primary issues and are equally determined that doing courtesy checks is a waste of time. The fact is that without spending one dime on additional marketing, without seeing one additional car, you can dramatically improve both sales and profitability by doing more and better courtesy checks. It is much easier and more cost effective to maximize these existing opportunities than it is to attract additional cars through marketing.

Why do courtesy checks? The easy answer might be to drive sales and profitability but I believe this is more the result than the reason. The real reason we do courtesy checks is to exceed the expectations of our customers and to provide them with the complete comprehensive service that communicates our care and concern for their vehicle. They come to us as they would go to their doctor and expect us to inform them of the repair and service concerns we have. In the midst of this, they expect that we are ethical and honest and will only make recommendations for repairs and services that are actually needed. A lot of the clients I speak to have a real problem with this and even

think that doing courtesy checks is nothing more than digging for dollars at the expense of our customers. I strongly disagree with this. As long as we can honestly say that the repairs and services are needed now or will be needed before the next service interval, you are obliged to make your customers aware. Who do you think your customer will blame when a week after you do a major brake overhaul, their muffler falls off? More importantly who do you think is to blame when, in doing



the brake overhaul, you noticed the broken exhaust hanger and didn't inform the customer? I promise they are blaming you. You need to be their car doctor and inform your customers of your concerns. They have the right of refusal but you have an obligation to inform them.

Almost as difficult as buying into the necessity of doing courtesy checks, for many owners, is getting your technicians to actually do them. In doing a courtesy check, we benefit the customer, the technician and the business. I often run into imaginative excuses as to why we can't do them. I hear that they are too time consuming, I hear that "we are too busy" (I hate this one more than any other) and I hear that they are a rip-off for the customer. In the real world, a courtesy check should take five or ten minutes and never more than fifteen. This is a truth that I have seen and insisted upon

over the years and is entirely reasonable and realistic. I have come across clients who were doing compression tests and checking the alignment and pulling spark plugs in an effort to be thorough and cover the most unrealistic possibilities. A good, reasonably thorough courtesy check will allow the tech to give a quick visual inspection to all the major systems on the vehicle and in nearly all cases yield a clear picture of required repairs and services. It does not pretend to identify every potential defect on the vehicle but does a good job of pointing out the vast majority of these and allows us to make recommendations that will ensure the safety and maintenance status of the vehicle. If other items are subsequently noted, we inform the customer and move on.

Above and beyond the merits of the courtesy checks, we (especially we males) have great difficulty in changing our habits and behaviors and the courtesy check can represent a big change for many of us. As leaders it is our job to assign this task to our technicians. We communicate the what and the why and set expectations for performance. In other words we set standards for numbers and quality. Up to this point most of the clients I talk to do pretty well. The real problems start when we have to do the follow up and make sure our guys are actually doing the courtesy checks and our expectations are being met. Very often the owners give up in the face of resistance and the program sputters and stalls from the start.

Overt and determined leadership is required here. This does not have to be loud or threatening but it does need to be firm. From time to time you will need to verify what is being

done and from time to time you will have to remind your techs of expectations and enforce your standards. It is extremely important that you stick to your guns here and insist that we do courtesy checks. The techs will invariably test your resolution. You need to be a rock. Doing a courtesy check is only important if you say it is.

There is nothing more important than you and your staff getting on board and beginning to do good quality courtesy checks on as many cars as is possible. They will go a long way toward improving the relationships you have with your customers, they will dramatically improve labor margin and tech productivity and in your being thorough and consistent in the effort, they can drive sales and profitability. Without seeing one additional car and without mailing a single flyer, you can transform your business. There is nothing else that even comes close. The courtesy check can and should be the secret to unlocking the potential of your business. It can and will be a key to your future success and can begin paying those dividends today.

Leadership is nothing more than the process of influencing others (your staff) to accomplish a task by providing purpose, direction and motivation. To whatever degree you can lead in this and to whatever degree you can provide direction, you will benefit. These are your dreams, it is your vision and you need to lead your staff and insist on excellence. We are talking courtesy checks, not programming your TV remote and they are a key to your success. Achieve your dreams, see your vision achieved, do the courtesy checks. Your business potential demands it.

Sam's Corner

By Chubby

I had the opportunity to spend time with ATI clients, Mark and Jo Ann Goldsmith in Cabo San Lucas after our annual Client Appreciation event. Mark's magnificent '55 Chevy Del Ray Two-Door Sedan was featured in Chevy Rumble Magazine.

Mark originally intended to build the car as a daily driver, but by the end of his first weekend of working on the car, he had the body removed and his wife, Jo Ann, said he should do a complete restoration with all new parts so that the car would

be really nice. He was aware that he didn't have the time or specialized tools to do all of the work himself, so he contacted Performance Restoration Services located in Chatsworth, CA, to complete the car.

The final step in the Chevy's buildup happened at Mike Ambrose Upholstery in North Hills, California. Mark wanted something special, so the interior features a Glide Engineering seat that has been modified with a lowered seat back that was arched to match the dash. It was upholstered in black and light gray leather in a contemporary design.

It features a stainless steel tilt

steering column topped by a Billet Specialties steering wheel that was stitched with black and gray leather to match the seats. The creature comforts include a luxurious Vintage Air climate control system with CD changer.

Price was no object when this Chevy was being built, and the result is one of the nicest Del Rays on the planet. If you have a vehicle that you want us to feature, send us some pictures.

For those of you who are aware of my hunt for a 1967 Corvette Coupe, the search is now over. After spending the



majority of its life in a chicken coop on a farm in Havre de Grace, MD, it ended up in my garage. It is an original 25,000 mile survivor in Sunfire Yellow with a screaming 427cu in-435 hp, Tri-power engine. The lacquer paint is checkering but not bad for 40 years old. The cockpit looks brand new & it drives like a dream, with no rattles. Did I say that it "screams"? There goes my license!

Seven At the Top, *Congratulations to All!*

This Month's Winners are:

Scott & Jessica Meyers

Meyers Auto Tech, Inc.
1120 N. Grant Place
Kennewick, WA 99336

Lee & Kelli Weatherby

Accurate Automotive
441 S. Robson Ave.
Mesa, AZ 85210



8611 Larkin Road
Suite 200
Savage, MD 20763

Bobby Caton

Caton's Auto Care Center
2605 Caton Hill Road
Woodbridge, VA 22192

Shawn McGuire

McGuire's Automotive
358 Litchfield Street
Leominster, MA 01453

Mike Defino

Fox Run Automotive
610 Connor Blvd
Bear, DE 19701

Steve Liebsack

Liebsack & Son's Auto Service
1928 W. Redondo Beach Blvd.,
Gardena, CA 90247

Ken Quasney

Auto Sense
8207-B Cloverleaf Drive
Millersville, MD 21108