

ATI Shoptalk



Issue 9

May–June 2010

In this issue:

Upcoming Classes	1
If You Don't Care About Customers, Do You Think Your Employees Will?	1
Sam's Corner: Rifoff Report	2
Lead, Follow or Find Somebody to Blame	3



Upcoming Classes:

Shop Owner

June 2–4
June 9–11
June 23–25
July 7–9
July 21–23
July 28–30

Service Advisor

June 7–8
June 14–15
July 12–13
July 19–20

Advanced Service Advisor

June 17–18

www.autotraining.net • 8611 Larkin Road • Suite 200 • Savage, MD 20763 • 1.888.471.5800

If You Don't Care About Customers, Do You Think Your Employees Will?

By Chris Frederick



Many years ago, Dale Carnegie wrote a book that became famous by helping us really care about other people. The book taught us the basics to really listening and showed us what not to say if we wanted to win friends. Tire dealers, in order to make real money, must focus as much on the customer as on the car today. As a matter of fact, many times the customer is more broken than the car.

To many of us, this may seem silly, because we are around broken cars every day of our lives so it is not a big deal. Our customers, however, may need more empathy than we think they need in order to like us. When your customers really like you, it is easier for them to swallow large repair bills. They focus much less on your pricing and are more willing to forgive if mistakes happen.

As coaches to thousands of tire dealers, we see that not enough effort is being spent on building the relationship with your customers. Although there are probably 5 percent of customers who are darn near impossible to make happy, the rest are certainly possible to win over. Shops with

95 percent happy customers typically are more profitable, always loaded with appointments, are known as the best and the owners have more free time because there are fewer fires to put out. My head coach, Brian Canning, told me a great story I am sure you are familiar with that explains why many shops don't have 95 percent happy customers.

Brian shared with me a quote from Lewis Carroll, the author of *Alice in Wonderland*, "if you don't know where you are going, any road will get you there." Putting it another way, if you don't care where you end up, you will eventually arrive.

The point I would like to make is that if you are not leading and setting goals for yourself and your business in terms of customer satisfaction, and if you are not setting expectations for your people as to how your customers are treated, then it doesn't matter how good your location is or how talented your staff may be.

You have no destination in mind and are leaving the entire journey to chance. Like Alice, you are very likely to experience adventures along the way, though unlike her, the ending is likely to be unhappy and could follow you well into your future.

I would love to tell you that in writing this I was able to call upon the writings of Lewis Carroll out of learned recollection, but the truth is that this very wise quote came out of an e-mail critique from my father in which he expressed his reliable disagreement with an article I had written.

My dad, a retired school principal of 84, looks upon the automotive industry with suspicion. My seven

brothers and sisters are economists, teachers and scientists, and several have PhDs. Occasionally when my dad and I discuss industry trends or issues, I feel he is looking at me as though I were diseased, perhaps crazy and certainly not entirely respectable.

Though my father is decidedly unaware of the hostile business environment and very tough market conditions most shop owners are forced to operate in, his suspicions and negative opinion of the industry are commonplace. In large part, they are due to the damage a few crooks have done to our generally well-intentioned industry, our unwillingness to take on these shady operators and our seeming embarrassment at charging a fair and reasonable price for the important services we provide.

Doctors, lawyers, plumbers and landscapers certainly do not apologize when they hand you a bill. Similarly, today's cars are incredibly complex and require highly specialized training and equipment before you would even think about diagnosing the most basic problem. My advice would be to forget the embarrassment, devise a winning game plan and make those customers and customer service your greatest priorities.

When opening a business, we have the opportunity to decide what kind of shop it will be. It can be the best quality, the cheapest or a specialty shop catering to specific makes or types of vehicles. We can stress convenience, price or great customer service, and who we are and what we are is something we need to decide before we open our doors, before that first transaction is rung up.

Continued on page 2

Continued from page 1



Survey Your Customers

CSIs, those customer satisfaction surveys that many of us are doing, are a critical tool in our measuring how well we are meeting our customers' expectations. There are great benefits in our just sending out these surveys. It shows our customers that we actually care and want to hear their honest opinions.

With the positive comments we see, we can reaffirm all the good things we are doing, while any negative comments provide us with an opportunity to identify problems in our business and offer a reasonable chance to redeem a customer who might have had an experience that was something less than our best effort.

The typical owner I talk to is a technician who decided he or she would like to be a business owner. I have nothing but praise for an individual who would follow his or her dream, though if given the opportunity, I would caution them to dig a little deeper and truly understand the challenge and burden they are taking on. How much will it cost? Does he have a business model or as I often see, does he even know what a business model is? How is he at dealing with people? Does he understand what customer service is and what his customers are looking for? What does profitable mean?

These are all questions that, under the best of circumstances, we ought to have the answers to before we even think about going into business. The reality is that the vast majority of the owners I talk to "just do it." And to their credit, a good portion of them do it well and enjoy success. I would praise and compliment their entrepreneurial spirit, but would encourage all of them to seek advice in developing a plan and

putting policies and procedures in place that will support that plan. You're going to have a very difficult time getting there if you don't know where there is.

In an age where knowledge seems to be no more difficult than a Google search, the automotive industry appears to suffer the very negative perceptions of the buying public. Fighting these perceptions needn't be more complicated than actually showing your care and concern for your customers and demanding quality from your staff. Excellence is something your customers are happy to pay for again and again. Restaurants, retail stores and that other shop down the street haven't figured that out. Give your customers reasons to feel like family and they will always come home.

Change Their Beliefs

Do something extraordinary and unexpected. Treat your customers like you care. We all have heard these suggestions, but they are hard to deliver if you don't really care. It can happen to all of us at times; difficult employees, customers, landlords and vendors can sour the day.

Ask yourself this: if you don't really care, do you think your employees will? Your employees believe what you believe unless prior leadership has influenced them. The only way to getting more free time is having your employees believe your customers need to be treated in an extraordinary fashion. Otherwise, you will have to be there all the time to demand quality behavior on their part.

First, we must change their beliefs before we can change their behavior. If you can't change their beliefs, find someone who can or someone more willing to serve. Otherwise, it will never improve for you.

Sam's Corner

Hi everyone, Chubby here. I am so excited, I can hardly stand it! It seems like just yesterday that our best of the best clients were in beautiful Marco Island, Florida for Superconference 2010. And now I already have the pleasure of personally inviting you to Superconference 2011. Please read the exciting details below and don't waste one minute.

Go to www.autotraining.net/superconference11 and sign up today. I look forward to seeing you next March at the fabulous Del in beautiful San Diego, California.



Superconference 2011
March 16-19, 2011
Hotel Del Coronado – San Diego, CA

Learn how top-performing shop owners run more successful, profitable shops and are actually able to thrive in today's economy. Share experiences and develop life-long relationships with others like-minded shop owners. Learn about industry trends from the smartest minds in the business – all in an atmosphere of pure luxury and historical significance.

ATI Superconferences have become one of the automotive industry's premier annual gatherings. Bringing together the best minds in the industry, world-class guest speakers and the owners of hundreds of the Top Shops in the US and Canada, Superconference 2011 will no doubt inform, educate, inspire, rejuvenate and re-energize all who attend.

With its iconic red turrets piercing the taut horizontal lines of an azure California skyline, the Hotel Del Coronado radiates with a confidence of gracious Victorian splendor that is without equal.

Built in 1888, the Del has long been heralded as one of America's most beautiful beach resorts. A pronouncement underscored by its designation as a National Historic Landmark in 1977.

Today, The Del offers guests a unique combination of modern luxury touched with the charm and grace of this fairytale castle. Include its stunning beachfront locale and it's easy to see why The Del has been called "one of the top ten resorts in the world" by *USA Today*.

With a stellar lineup of talent, loads of useful information you won't find anywhere else, and ample free time for fun, ATI's Superconference 2011 is more than one of the best learning experiences you'll have all year, and more than a relaxing, stress-relieving get away – it's both, and an opportunity that comes only once a year.

Chubby

So, maybe the problem is you. If so, it may be time for a vacation, a long weekend or a new mentor to help you back to really caring about your customers. You may decide it is time to let go of those who don't believe in really caring for your customers so you can hire someone who does, to allow you some free time to work on your business and not in it every day.

Take Action

Whatever you decide, taking action is the only real power generated from customer satisfaction surveys, so why don't you take some right now! If you need a good CSI Survey, simply e-mail us and we will send it to you. My e-mail address is cfrederick@autotraining.net and I will send you some great examples.



Lead, Follow or Find Somebody to Blame

By Brian Canning



The automotive industry, without a doubt, is unique. Like any industry and any business, we are driven by a sales and a profit structure that allows us to survive and occasionally prosper. But unlike a lot of industries and a lot of businesses, we suffer significant government regulation and oversight, tough customer perceptions, plus training and production issues that can easily determine our viability. Ours is a decidedly unforgiving environment and one crying out for strong and effective leadership.

The United States Marine Corps defines leadership as “the sum of those qualities of intellect, human understanding and moral character that enables a person to inspire and control a group of people successfully.” Though I am doubtful most of the marines I have ever known would understand this (I am Army after all), I really like this definition. Leadership is all about moving people successfully—using intellect, character and human understanding to get your people to complete a task or mission. Leadership is all about success.

To compare what we do in our shops every day to what that gunnery sergeant is facing in combat might seem a stretch. But as he successfully leads his fellow marines against a determined enemy bent on his destruction, I am left wondering why we as an industry have such difficulty getting our people to do the things we want them to do. Why is he able to get his people to willingly face death and wounding every day, while we have difficulty getting our people to show up for work on time or be consistently productive? Acknowledging that we don't all have the advantages of marine training, peer pressure and esprit de corps, for all of us leadership is what allows us to rise up in any situation and do something above and beyond what we would have had any reason to expect. Leadership can make all of us better. Of course the unfortunate other side of that is that a lack of leadership can drive down efficiency, drive down sales and literally drive us out of business. My advice is always to lead first, and ask questions later.

It is an absolute truth that most of us would rather not lead. People are fickle, they do the craziest, most unpredictable things and who needs

that aggravation. My prototypical shop owner is a technician who somewhere along the way decided he no longer wanted a boss and having someone tell him what to do, so he did something incredibly difficult and courageous and opened his own shop. In this role, as he was starting out, it was only him and his wife or partner and life was good. He could handle the load, had nobody telling him what to do and leadership was the farthest thing from his mind. Unfortunately he did good work and word got out and suddenly there was not enough of him to go around and he was forced to hire somebody. With trial and error he finally found someone he could work with and who would do the things he asked. But damn it all, more work, more happy customers and before you knew it we're three techs, a lot boy, a receptionist and a part time bookkeeper. Damn! And now he has to learn to lead. That or possibly go out of business, and I am not going to tell you how many seriously consider the latter as an option and go out of business rather than lead and have to tell someone to do something. That is frightening!

Like this shop owner, many of us are thrust into roles of leadership and though we would much rather not, somehow we have to find a way to get our people doing the things we want and need them to do. Somehow we have to find a way to lead.

I am going to go to a second definition of leadership that will allow me to create what I hope will be a comfortable process for you to take those first steps toward leadership and you becoming a leader. This second definition, provided by the U.S. Army, is the one I learned many years ago in Ansbach, Germany, where I was attending the Primary Non-Commissioned Officers Course (PNOC). The Army describes leadership as “the process of influencing others to accomplish the task or mission by providing purpose, direction and motivation.” This is the definition I cut my leadership teeth on and I still like it today because it lets me define the task and relies on me to provide what I see as the appropriate purpose, direction and motivation to assure that the task is completed. If I am not comfortable yelling, I'm not going to yell. If I choose to give an inspiring speech or threaten bodily harm (which I would never do), I have that flexibility. Leaders are judged by their ability to get the job done and deliver the goods and a good leader will use everything at his disposal to accomplish that. Remember, leadership

is all about task accomplishment. If we fail to accomplish the task our approach to leadership has failed. It's as simple as that.

I would stress to anyone interested in taking on a leadership role or interested in improving the results they are seeing, that the most difficult part in all of this is that first, determined step. From that moment forward leadership becomes easier, more comfortable. In that same vein, I'll remind you that leadership is an action, not a thought, not a goal and not a philosophy.

I'll describe a life changing event that involved a great Service Manager who I talk to each week. He manages a great shop in Washington State. A year and a half ago I would have described him as a caring competent manager, who was much more comfortable in the role of mentor than driver and a supporter rather than a motivator. On his very worst day he was better than the average manager I talk to but as we moved him toward taking on the leadership role in the shop, I worried about his willingness to be that assertive leader and his willingness to take on those tough interactions that demand strength and conviction. Sometimes people just need a stern, immovable rock and I was not entirely sure this budding leader was a rock and less sure if he was immovable or not. I warned him at the outset of this transition that there were going to be times and situations he would be uncomfortable with and boy was I right.

Several months into this effort, things were certainly progressing but one evening a customer, who happened to live close to this manager, showed up at his front door with the car that had been worked on that day. To put it mildly, the customer expressed his disappointment with the quality of the work that had been performed and left the car there in the manager's driveway. This manager fixed the items that the customer had noted, returned the car to the customer that night and showed up at work the next morning loaded for bear. He was obviously angry, obviously concerned with the lack of follow-through that got him and his crew to this point. And casting off his supportive mentoring persona, he launched into an impassioned indictment of the incident, of the process and unprofessional actions that had gotten his team to this point. He had intense meetings, not only with the unfortunate tech who had worked on the car, but also had one-on-ones with



all of the techs and the full team as well. He took the opportunity to review current inspection policy and other factors that might have contributed to this unfortunate incident. True to his personality, he never yelled but he was obviously angry; he never acted unprofessionally but he was stern, insistent and definitely immovable. This was a guy who these techs and other staff members had never seen before and not quite knowing how to take him, they fell in line and from that day forward there was no doubt who was in charge. Suddenly people were tripping over themselves to do the things they were asked, suddenly quality mattered and suddenly leadership was no longer in doubt.

I suspect that there was no one more shocked by these events than the manager himself. He had reacted angrily out of embarrassment and out of concern for his customer but soon discovered the value of his tirade and the importance of that unsatisfied customer showing up in his driveway. That one event transformed this shop but more importantly, it released the leader within this manager and gave him confidence in his convictions and empowered him to act decisively. Leadership as a rational decision; I like it!

Who have you influenced and inspired toward successful task accomplishment? It is a universal truth that leaders lead and all others walk. Are you leading or walking today?



Don't Ask, Don't Sell!

By Rick Johnson



How many of you have watched sales fall the last several months? How many of you have blamed it on the economy, gas prices, election etc.? While I

would agree that the economy, gas prices and elections have been a reality and something we have all had to deal with, I would argue that this is not the underlying problem. I would like to throw out that far too many Service Advisors and managers have bought into these excuses and worse. As I travel to shops and watch and listen to their sales approach I am often appalled at what I see and hear, and MORE importantly what I DON'T hear.

We have all had advisors and managers say things like "that car is not worth fixing," "that customer never spends any money" or "if that were my car I would not spend the money to fix it." One of the first things we teach advisors is not to sell with their wallets and to let the customer decide if the car is worth fixing or not. Technicians can also be found guilty of the same things when doing the courtesy inspection. We must not let these things happen in our shops or we are going to fail for sure. We fail in our responsibility to the customer and to our staff.

What we need to make sure is happening right now today in our shop is very simply this: A great courtesy check is delivered to the Service Advisor. Then the Service Advisor

takes all the repair recommendations and ties them together with the mileage and maintenance-related recommendations and does one simple final thing—ASKS FOR THE SALE! Amazing how simple it really is, yet over and over again it does not happen and we watch sales and ARO decline, as the excuses for this decline increase.

On a recent shop visit I asked the advisor how many shocks and struts he was selling and he said, "well, if they are broken or leaking we sell them." I told him that the MAP program and Gabriel and Monroe all say to recommend struts and shocks at 50,000 miles. I suggested to him that for the rest of the day he should recommend to anyone with a vehicle over 50,000 miles to replace the struts and shocks and give them the reasons for this recommendation (its features and benefits). By the end of that first day he had sold a set of shocks and struts that were not broken or leaking—imagine that! He asked for the sale and he got it, even in this economy and with our current gas prices and election or any other excuse. The only thing that changed was him, he manned up and asked for the sale and made it.

We hear all the time that 60 billion dollars of unperformed maintenance passes through our shops every year in this country. I would bet that a good portion of that is because we are just not asking. The sooner we realize that the days of the customer coming in and handing us the keys and saying my car needs service x, y and throw z in as well are over, the sooner we may just



get serious about the need to ask for and recommend the sale. Great advisors don't take a "no" personally; they realize that not everyone is going to say "yes" to their sales efforts. They just continue to do the right thing every day and sometimes we say, "I don't know how he or she does it but they sure seem to sell a lot of work."

Great advisors are constantly looking for new ideas by attending class and sharpening their skills. Have you sent your advisor to class lately? Ever? Shame on you if you have never sent your advisor to Service Advisor classes! You need to immediately ask your coach for a Service Advisor sign up sheet and get them signed up for class. The shops with record sales last year—and we had a lot of shops with record sales last year—all have one thing in common: ATI-trained Service Advisors. They have been to class and those who had already been to class came back in for a "tune up." The customers are happy, the staff is happy and the owners are happy. These

Top 7 Shops

Pinnacle Automotive
Mark Ogborn
Philadelphia, PA

B & B Automotive Inc.
Butch Jobst
Aberdeen, WA

**Priebe's Auto Clinic
& Tire Center of Oklahoma**
Jon Priebe
Oklahoma City, OK

Bobby's Garage, Inc.
Tasha & Bobby Bonney
Damascus, MD

Midas Auto Service
Ron Tonika
Berwyn, Ill

San Rafael Firestone
Fred Arnold
San Rafael, CA

Gaynor's Automotive
Tommy Gaynor
Vancouver, WA

advisors just keep getting better and better while others come up with more and some very creative excuses. Where do you want to be this year with your sales? Excuses are for losers, asking for and making sales are for winners.

