

ShopTalk



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May 2012

What Defines You?

Who is your greatest critic? Your mom? Your employees? How about your spouse? I'm willing to bet that none of these is your worst critic.

Who is it? Your worst critic is you!

What are you saying to yourself?

- I make that mistake all the time.
- I'm not a morning person.
- I'm not good at running the business.
- Don't call on that guy; he won't buy from me; he likes that shop up the street.
- I can't raise my prices; my customers will go somewhere else.
- I'm only good at fixing cars.
- It's hard to hire good people.

You must be talented and persistent to succeed in spite of all this criticism and doubt. Heck, in addition to yourself, you may have someone else in your life telling you all this, too.

Recently a coaching member told me about his time in the U.S. Air Force. Fred flew high over foreign countries with intelligence officers who eavesdropped on those countries' communications. Fred was responsible for keeping the radio equipment in working order. Some of it was dangerous and operated at high voltages.

One day, Fred left a safety door open. As an intelligence officer walked by, the plane shifted in the air. To catch his balance, the officer put his hand where he shouldn't and was electrocuted to death. It was Fred's fault.

Fifteen years later, Fred is still haunted by that night high above Asia when his mistake cost someone his life. Unfortunately, Fred now sees himself as a mistake maker, someone whose life is worthless because he cost someone else his, and so Fred feels unworthy of any success that may come his way.

Mistakes are human. And you know what? The harder you try to do something new, to learn a new skill, to step away from what you are comfortable doing, the more mistakes you will make.

You know the biggest mistake you can make? To allow fear to prevent you from trying.

We run a new ad or marketing campaign and it fails. It's one thing dealing with the financial frustration of investing in something that didn't generate a return. But for some people, the most painful part is dealing with the humiliation of putting hours, days or weeks of work into something that generated nothing. And what happens the next time you consider trying? Do you tell yourself "I learned a lot from last time, so this effort will be a lot easier"? Or do you tell yourself "I'm no good at this marketing crap. I'm going to stick with what I'm good at, fixing cars"?



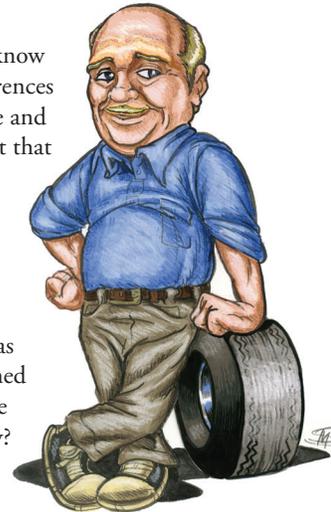
Do you want to know one of the big differences between rich people and poor people? It's not that rich people are more intelligent, quite the contrary.

Rich people get past their mistakes. How many times has Donald Trump owned companies that have filed for bankruptcy? Four times. Does he allow this to taint his future decisions? Does he allow people's criticism about him and his decision making to make him more cautious in the future? No, he forges ahead. Not because he's smarter or more gifted. Instead, he encourages himself with every word.

I told Fred he has a gift. Why that intelligence officer had to die that night no one can know. But Fred can use that experience as a lesson of how precious life is. We are all one drunk driver, texting teen or sleepy driver away from the same fate. We can spend our lives rehashing our mistakes and being defined by them, or we can make the most of the gifts we have.

Next time you hear yourself start to criticize, find something you did well and start thinking about that. Think about your successes. Instead of thinking about how your shop isn't where you want it to be, think about how far you've come. Rather than getting angry about a marketing program that didn't work, think about how much you learned (the money you spent was tuition).

And when you really screw up, make amends the best you can and get on with it. Don't make your mistake worse by reliving it every day and using it to define or limit your life. Pay tribute by building a great life, earning money and giving back to others in need. Success is the best way to repay a mistake. Give yourself the encouragement you need. **ATI**



With ATI, Without ATI Dan Garlock Tells Why He Came Back

Dan Garlock remembers when his dad opened the two-bay Silver Lake Shell Station in Oconomowoc, Wisc., back in 1973. “I kind of grew up in it, and once I graduated from high school, I went on to technical college and started working full-time for my dad in 1991,” Dan recalls. “I was a Service Advisor/technician, so back then life was easy. I didn’t have all the tough decisions to make about how bills got paid. We had our problems financially throughout the years, and we worked very hard to make next to nothing.”

After struggling through a couple of decades, Dan’s father attended an ATI Boot Camp in 2003 and signed up for a training program to learn how to run a more profitable business. The Garlocks were happy with what they learned and decided they could take the information and run with it. “We decided not to renew,” Dan says, shaking his head. “We basically thought we could keep ourselves motivated and do it by ourselves—and found out that wasn’t necessarily the case.”

In the years after completing their first ATI program, the Garlocks began selling used cars. “We were focusing a lot of our energy on selling cars, and the service department was faltering because of that,” Dan says. “We just weren’t getting

the profit out of the service side of the business that we were getting when we were with ATI. We needed somebody to help us get turned around and making money again. We also had some new staff and wanted to get them into Service Advisor training. We really needed a coach, and so that’s why we signed back on with ATI.”

Since joining the ATI Alumni program, Dan says they are watching their numbers more closely, making changes to their labor rate, parts matrix and compensation plans. He says this has helped them react more quickly to change and become a more profitable shop.

“We noticed that our effective labor rate was way below what our actual posted labor was. Our compensation plans were based off of our shop labor rate, and that wasn’t truly what was coming in every day,” Dan explains. “So, we were able to find out where the holes were in our effective labor rate and fix those.”

They also began focusing on courtesy inspections, making sure they were done and “done accurately,” Dan emphasizes. “We also got back to the basics of talking about maintenance, going through the seven steps of the sales process, greeting customers and building rapport with customers to help us get the sales we needed to offset our overhead.”

If that sounds like it took discipline to implement, Dan will assure you it did. “It was a matter of getting back to doing what we knew was right,” he says. “We already believed in the program, so it just took the discipline of doing it right—and doing it right every single time.”

That’s where having a coach comes in.

“When you’re a shop owner or in charge of a shop, some days there’s nobody there to motivate you,” Dan says. “It’s not always easy to keep focused. It’s very easy to get distracted, to lose focus of your goals and objectives and to start looking at other areas that maybe aren’t in the best interest of the big picture. I love working with our coach, Randy. He always keeps us on track with what we’re trying to do to hit our goals.”

Those goals include succession planning so the elder Garlock can retire and transfer the business to Dan and his brother. Those plans are underway, and the business is back on track, showing gains in profit this year after three years of losses.

“We’re able to pay our bills, put some money away and talk about growing in the future, opening up other locations,” Dan says.

All that, and Dan has time for his family, too. He and his wife have two children, ages 4 and 2.

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Sam’s Corner

Live Strong, Fit and Sexy Until You’re 80 and Beyond

Many of you have asked me for great book recommendations so I wanted to share with you “Younger Next Year.” It was recommended to me by a doctor friend and it was co-authored by Henry S. Lodge, M.D., and Chris Crowley. The Washington Post called it “brain-rattling, irresistible, hilarious” and said “if you’re up for it” this book “could change your life.” I know it sounds crazy for a guy who calls himself Chubby but I am really interested in feeling great, and if I am destined to live to 80 I want to feel good in my older years. What made me so interested in this book is I am convinced we can look and feel younger next year if we so desire. Since we only go around once why not make it the best trip possible.

Now personally I hate to read and I prefer audio books,

but I couldn’t put this book down. Changing subjects for a moment, my personal theory on not liking to read is it takes too long. The problem I have is if I read a paragraph on something I really think will benefit me, my mind takes off on implementation strategies and when I wake up I have read three pages and not comprehended a thing. Then I have to read the damn pages over again! Call me crazy but I get motivated by great ideas instantly and want to implement them.

This book is easy to read, the science is right and if one follows the recommendations, both mental and physical aging can be delayed. You’ll discover how to put off 70 percent of the normal problems of aging – weakness, sore joints, bad balance – and eliminate 50 percent of serious illness and injury. The message is simple: Learn to train for the next third of your life and you’ll have a ball.

For the past year, when shop owners attend Day One Training I like to remind them to tune yourself up while we are tuning up your business. The reason is change creates stress, and the better you can handle it the easier change is to implement.

When we feel good and energetic, we want to take on new challenges and laugh at adversity. When we feel like crap, we don’t want to hear it! As our body ages, our strength decreases gradually unless we keep up with it by strength training. I have felt the biggest difference in my physical well-being since I started working out with weights – and my back problems have vanished. I have been doing cardio exercises every day for years to help my energy level but I am still Chubby. This book really opened my eyes on what I am putting in my mouth – just about everything you shouldn’t – and it gave me some easy ways to change my eating habits without dieting. Dieting has been a short-term solution for me, but the lifestyle change “Younger Next Year” recommends has been life changing for me. So, go to Amazon right now and order an extraordinary book and let me know what you think at cfrederick@autotraining.net



Hot Fun in the Summertime?

By George Zeeks



Every year the summer comes, the shops get busy and life is perfect, right? Well, maybe not. Do you find yourself so busy making money that you forget to make money? That doesn't even sound right, or does it? What we

have found is that shop owners can become too focused on the total sales and forget to monitor the basics that make the difference in profitability.

As the summer heat picks up, so does your customer flow and so does the challenge of getting all of the work done in the timely manner that your customers demand. It's no wonder that the days are full keeping things rolling smoothly, and focusing on that can create the urge to add staff members who will look busy but aren't producing what they ought to. You should always keep in mind that you need to set the standards of production

for every employee. They have to know what "success" means to them and how to achieve it. Goal setting with your staff, so that everyone knows and agrees to the benchmarks that you are setting, is crucial to productivity. Giving your staff and yourself the daily feedback to know where everyone stands in relation to the production standard keeps the shop cruising in the right direction.

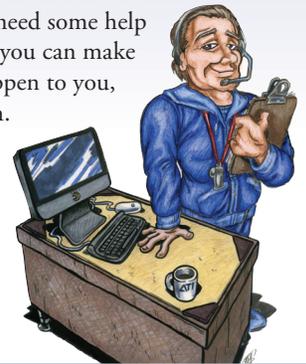
The temptation to assume all is well since we look so busy can be overwhelming. However, the extra 10 to 15 minutes that you invest in keeping a production board, so that your goals are trackable and available to everyone, are vital. Let's keep in mind what a small drop in Labor Margin can mean. If you don't mind, I would like to keep the numbers simple since after all, I am just a public school boy. If we have \$10,000 in labor sales in a given week and our Labor Margin drops by just 3 percent each week, due to lack of effective oversight, that means that we would have lost \$300 that week. It doesn't seem like much until you multiply that by

4.3 weeks and now we see \$1290 in lost revenue. If we assume that we have three strong summer months, then we have a loss of \$3870. Don't mistake activity for results!

The drop of 3 percent in Labor Margin can happen very easily and is seen most often with the lower skill level employees, who often happen to be hourly. If that's the case then the drop in dollars is not just a Margin drop but a Net Income drop. In other words, that money came straight out of your pocket because you didn't pay attention to the basics.

If you think you need some help with this issue so you can make sure it doesn't happen to you, talk to your coach.

Remember that the summer can be fun and profitable, if you take some basic precautions.



SuperConference 2012 20-Group Takeaways

As promised, the 2012 SuperConference will go into history as one of the best ATI events to date. With close to 100 shop owners present at the meeting of 20-Groups, we passed the microphone around and asked the question "What was the most impactful thing you did to affect your business?" We started from the right side of the room and worked our way to the left, giving each owner a few minutes to explain what they did to improve their business. Below in no specific order are some of the ideas that were shared.

Staffing was the topic that was brought up the most. Almost all the owners talked about upgrading their staff. They removed the employees that were difficult and brought down morale. Owners would explain how they released a long-time employee and in some cases a family member. The results in every situation were improved morale in the shop and less stress for the owner. Owners also shared how they are working harder at becoming better listeners, spending time listening to employees to assist in solving their issues.

Mitch Schneider explained how he is working to bring the team together on making decisions that will turn into their procedures. Rather than a technician coming to Mitch with only a problem, he has them come with the problem and a solution. He gives the employees the autonomy to make decisions. He has also created a technician bonus that is tied into comebacks and customer issues. Mitch posts the comeback or issue in the employee restroom to ensure everyone sees it.

With marketing, most of the shops agreed the "Holiday Gift Card" was a success and shops are now spinning off the same idea for other calendar dates. A rewards program was also well received by customers and is helping with visit frequency. Some owners are revisiting BNI groups in an effort to network. Some owners have taken the initiative to start their own BNI group since they did not like the current group.

A few owners also told us they are making time to read. One of the owners has a goal of

15 minutes or 15 pages every day. One idea was to share books that owners thought are good reads. We could share this list with all the ATI family.

One of my favorites was Frank at V&F, who has taken a theme of "Not Saying No." To measure this, Frank started listening to phone calls. He explained to the group all the opportunities the shop was not taking advantage of just from customer calls and inquiries about different services. Frank even created CDs for his Service Advisors so they can hear how they sound when talking to employees. This awareness had the most impact on his team since the last 20-Group meeting.

These are just a sample of some of the great ideas that came out of the group over the first few hours of SuperConference. If you're not in a 20-Group, please ask your coach how to enroll. If you are in a 20-Group, this is your once a year opportunity to share ideas with all the 20-Groups in one room. **ATI**



Your Available Training Programs for May and June 2012

May 2012

Monday Tuesday Wednesday Thursday Friday Saturday/Sunday

	1 Service Advisor 2 of 4	2 Shop Owner 1 of 9	3 Shop Owner 2 of 9	4 Shop Owner 3 of 9	5/6
7 Service Advisor 20 Group	8 Service Advisor 20 Group	9 Shop Owner 7 of 9	10 Shop Owner 8 of 9	11 Shop Owner 9 of 9	12/13 Mother's Day
			MasterMind California S.A. 3 of 4	MasterMind California S.A. 4 of 4	
14	15	16	20 Group Baltimore 5	20 Group Baltimore 5	19/20
			20 Group Austin	20 Group Austin	
21 Service Advisor 4 of 4	22 Service Advisor 4 of 4	23	24	25	26/27
28 Memorial Day	29	30	31		

June 2012

Monday Tuesday Wednesday Thursday Friday Saturday/Sunday

				1	2/3
4 Service Advisor 1 of 4	5 Service Advisor 2 of 4	6 Shop Owner 1 of 9	7 Shop Owner 2 of 9	8 Shop Owner 3 of 9	9/10
11	12	13 Shop Owner 4 of 9	14 Shop Owner 5 of 9	15 Shop Owner 6 of 9	16/17 Father's Day
18	19	20 Shop Owner 7 of 9	21 Shop Owner 8 of 9	22 Shop Owner 9 of 9	23/24
25 Service Advisor 3 of 4	26 Service Advisor 4 of 4	27	28 Service Manager 3 of 4	29 Service Manager 4 of 4	30

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Even though Silver Lake Auto Center is open seven days a week, Dan is able to have dinner with his family each night, and he mostly spends weekends at home.

"We're open about 74 hours a week, but I'm still able to cut out of here to do the things that are really important to me and spend time with my family," Dan says. "With direction from ATI, we were able to get the right people at the service

counter so I can feel comfortable with what they're doing every day. I also hired some help in the office to help me with the bookkeeping. So, there's a lot of freedom for me to be able to get out of here and do things with my family."

Having experienced running a shop with ATI and then without ATI, Dan has this advice for other ATI members: "Number one, listen to your coach. He really does know what's important for your business. Second, you have to be willing to relinquish some of the tasks you normally would

do. I used to be in service writing, and it's hard for me to step away from that. But I need to work where my strengths are, managing the business and managing the people and slowly implementing change in the business."

Dan emphasizes the word "slowly" when he talks about implementing change.

"Don't try to do it all at once," he says. "Create a progression plan that is comfortable for you."



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