

ShopTalk



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Caught in the Swirl

At any given time in your shop, there are customers to wait on, techs working on cars, parts arriving and a parade of salespeople calling to speak with you. There are a hundred things for you to pay attention to, and at the end of the day, you are exhausted. You can work hard every day and still not find time for the things that are most important, because you are too busy. So many different urgencies crop up that you aren't able to find the time to work on what's most important.

That's the swirl.

It's like one of those shooting galleries at the fair. Targets pop up and you have to shoot them quickly before they disappear again. At the carnival you've got to concentrate on the gallery to score maximum points and get the biggest prize. It feels great when you hit all the targets, both at the carnival and in your business.

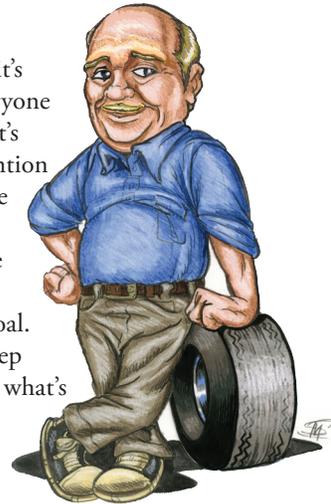
Often when you get into the swirl, it actually feels good. It's like you are leading an army into battle. You've got customers, cars, employees and vendors coming at you from all sides, and you've got to keep them all under control. While being in the swirl can feel invigorating, staying in the swirl is the wrong approach for a shop owner.

That is why it's so important to focus on the key performance indicators in your shop.

Work with your coach to set goals by first determining the total amount of money you want to make at the end of the year. Then, manage your shop on a weekly, daily and even hourly basis to make sure your team is hitting its numbers.

Managing your shop by the numbers is like having a pause button for the swirl. You see

that it exists, but it's happening to everyone else, not you. That's because your attention isn't focused inside the swirl; instead you can see all the way through it, straight to your goal. You are able to keep your attention on what's really important, driving your shop toward your real business goals.



Have you ever driven down the road and suddenly realized you are lost? First, there's the frustration that you may be late to your appointment. Then your frustration grows because you are driving around and don't know where you are or how to get where you want to go.

That's another version of the swirl. Your numbers are a map for your repair shop that shows you where you are, where you want to go and how you are going to get there. It allows you to plot your course so you can arrive at your destination, in this case an auto repair shop that meets your financial goals.

A lot of coaching members remark that they never had time to do important projects before they began watching and tracking their numbers. Suddenly, when faced with their numbers, they were able to find the time they needed to get the important marketing projects done so they could get their car count up and make their numbers for the month.

While the swirl feels good in the moment, working on your numbers gives you a great feeling that lasts. It's actually a feeling of superiority. You can hold yourself above other shop owners when you see them battling within the swirl. You know you've done something few owners are willing to do. **ATI**





Greg Hochhalter: 'With ATI, You're Dealing With the Best of the Best'

Greg Hochhalter and his wife, Julie, own Auburn Foreign & Domestic Complete Auto Service in North Auburn, Wash. Greg's road to ownership took him through a four-year stint in the U.S. Army, becoming a handyman at Auburn Foreign Car after he left the military and then working his way up to service manager.

"I went into the Army because my wife's father essentially insisted," Greg laughs. "I knew what was good for me, and so I spent four years in the military police over in Europe and had a great adventure. But when I got back, I found out that people who do security-related jobs are minimum wage. I had always loved tinkering with cars, so I went back to my first love."

Greg's love of cars led him to answer a handyman ad for Auburn Foreign Car.

"This was in the early 80s," Greg recalls, "and they were looking for a lot boy, or as they used to call them, lot lizards. I washed cars, cleaned the parking lot, did things I needed to do."

Greg's hard work over the years was rewarded with promotion after promotion. From "lot lizard," he moved into the parts department as a counterman. That led to parts department manager, which led to service advisor and then service manager. When the shop's owner decided to retire in 2005, Greg and Julie were ready to purchase the business. Of course, purchasing a business and running a business are two different things, and the couple sought out training to help them in their new venture.

"We went to an ATI boot camp and met Ken Brookings," Greg says. "I think he's a phenomenal man. He wanted me to succeed, but since I was a brand new owner, he didn't want to see me invest too much too soon. Initially my hands were kind of tied, and I wasn't able to delve into the full ATI program."

Instead, Greg implemented what he had learned at the boot camp, and that kept his shop viable for the first two years.

"The original owner had the business structured differently," Greg explains. "He

owned the land. He owned the building. He didn't have the costs that a second owner would step into. The things we learned from that boot camp definitely kept us in the black."

The Hochhalters' goal for 2007 was to pursue more training so they could grow their business. They signed up for another ATI boot camp and were in the class for only an hour and a half before they decided to join ATI's coaching program.

"We looked at each other and said, 'Hey, now is the time. Let's get her done.' And so we signed up," Greg says.

One of the first things Greg needed to work on was his compensation program. He had inherited a business with a lot of high-paid employees. Plus, he had grown up in the business and the employees were also his friends.

"Sometimes it's hard to separate yourself from being a friend versus a boss," Greg smiles, "and so it was nice having a coach when we had to make tough decisions. Our coach helped us to work on our margins and our cost >>>

Sam's Corner

Chubby's 2013 Shop Strategy

Now that the elections are over, you would hope we could predict what the economic climate will be in 2013. Unfortunately, you would need a crystal ball that really worked, and if you had one you wouldn't be reading my article. There are still a lot of things that could happen to put us back into a recession in 2013. Germany going into a recession might bring down the U.S. economy, not to mention what it would do to the European countries that Germany holds up. Iran and Israel could also have major effects on the U.S. economy. I believe the current administration will keep us from the financial cliff at the last minute by keeping the middle-class taxes from increasing. But I don't have a crystal ball. If you make more than \$250,000, however, I would prepare to pay more in 2013. I don't see the current administration very concerned about small business or the folks we employ, regardless of what they talk about in Washington. When the man at the top says if you have a small business that is successful, the government had more to do with that success than you did, here is a man who has never run a small business in the U.S. That doesn't mean the administration still can't succeed at keeping the economy moving; a lot of very smart people think Obama was the best choice.

Most of you had a slowdown before the election, and some of you are very negative about the near future. One of the most important lessons I have learned from being in four recessions is this: You can't predict the future but you can create it! You have a great opportunity now when the mindset of the public is that they do not want to add any more debt than they are already carrying, which means they are less likely to buy a new car. You have the same opportunity as in the past four years to promote the message that maintaining a vehicle is cheaper than repairing or replacing it. New car economists do not anticipate a surge in car sales till 2016, and even then the predicted peak will only be 70 percent of 2007 sales. Get your head into fighting for your beliefs! If your people see you haven't lost the dream, they will stand by you and fight with you.

I believe the shop owners that are working the customer relationships and marketing to them will continue to maintain and grow. If you don't have an action plan for 2013, or if you are separating yourself from your customers, you will continue to struggle with inconsistency.

My suggestion is: Get aggressive in 2013. Attend networking events, help your community, create a

marketing plan to touch your customers as often as possible. It's never too late. One of the best holiday marketing plans was done by Goodyear after Christmas. They sent a \$25 gift certificate in a holiday card, for anything their best customers wanted. It has always been a huge success.

Send your service advisors back to school for a tune-up. The typical lift in Randy's four-day course is 21 percent, and you have already paid for it! If you need a tune-up, it may be time to re-attend George Zeek's leadership class to get your team committed to following you better. Plus, if you haven't been to the new facility at BWI airport, I guarantee you will be pleased with the environment.

Most important, your customers don't come to your shop because of what you do, they come to your shop because of why you do it! So it may be time to remind your customers that it's not just about the money — you fix cars because you care about *your customers*. So go show it to them!



What Is a Service Advisor?

By Rick Johnson



Have you ever looked up the word *advisor*? I got to thinking about this a while back and thought of the progression in this industry we have gone through to get to the position “service advisor.” Remember when the phone rang and whoever was closest to the “damn phone” answered it? And how that damn phone was just an intrusion into a very busy day? Remember when we graduated to the point that we did finally assign someone to answer the phone and actually try to keep a written schedule? Of course at this point the position was not service advisor — more accurately called order taker, right? Then a few years back, the position became service writer. Wow, what a jump from “whoever is closest to the phone answers it” to a service writer! So much better: someone who answers the phone, keeps a schedule pad, doesn’t work on cars and handles all the customers! Maybe your shop was one of the first independent shops to have a service writer? Wow and what a luxury that was!

When you had really arrived at this point, things were now much more organized and customers’ needs were better met, and most times parts showed up because someone was actually ordering them and tracking their delivery. Maybe you even started making thank-you calls and follow-up calls and man, were things good! Then in the last few years, we noticed maybe the phone was not ringing as much as it used to. We maybe even started wishing that “damn phone” would ring, right? And the service writer made attempts to call in some recommended service, sort of. But most said things like “I can’t make it ring.” What the heck is going on? What has

happened to our business? Cars just aren’t breaking down; can’t remember the last time a tow truck dropped off a car that would not run. But some shops are still doing pretty well, their parking lots seem pretty full and the bays have cars in them as well. Now what do we need to do?

First, let me tell you the dictionary’s definition of the word *advisor*. Here goes: “One that advises, such as a person or firm that offers official or professional advice to clients.” Wow! A person that offers professional advice to clients!

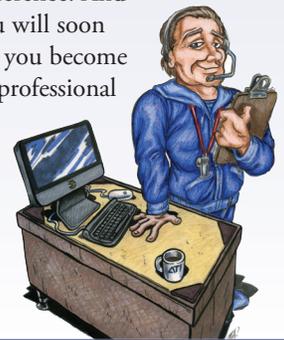
So is it possible that we need to upgrade from service writer to service advisor? Of course it is. We need someone on that counter who is offering professional advice. Today’s automotive customer knows less about his car than at any time in history. He is seeking out and depending on a professional who will advise him on his high-tech automobile. When this customer needs financial advice, he goes to his financial advisor; when he needs health advice, he goes to his health professional advisor. Just makes sense, then, that he is looking for a professional automotive service advisor, doesn’t it.

Too many times when I visit a shop, I hear the service advisor (or one who thinks he or she is an advisor) ask the customer “What do you want to do with the car?” Rather than being a professional and telling them what they need to do with the car. It sometimes goes like this: “Mr. Customer, your car has a misfire code. We could put some new spark plugs in and see if that fixes it, or maybe even new plug wires. What would you like us to do?” Wow, at that point do you really wonder why a lot of customers say “Let me think about it”? What the customer is really saying is “If you don’t know what to do to my car,

then I will take it somewhere where someone who knows what they are doing can tell me what to do!”

Can you imagine your professional health advisor saying “I know your stomach hurts; would you like me to run some tests and see what’s wrong, or take a blood sample and have it tested?” I would run out of that quack’s office and find a real doctor! Yet that is what I see a large number of automotive service advisors doing today. The customers are looking for advice; they don’t want to be part of the diagnostic decision-making process. Much better to say to a customer “Your car has a misfire code. With the mileage on the car, I strongly recommend that we install new spark plugs, replace the original wires and do an induction and fuel injection cleaning.” Wow, how much better is that? Sort of sounds like we know what we are doing, right? Certainly you will make far more sales and satisfy a lot more customers with advice like this. So what does today’s service advisor look like?

So ask yourself: Do you have an order taker? A service writer? Or a true service advisor in your shop? Can you see the benefit of having a service advisor? I truly believe it is time to get serious about the counter. Either train the person you have to take the next step to advisor, or replace them with someone who understands the difference. And chances are that you will soon have a following, as you become the shop that offers professional advice on today’s automotive needs and understands what today’s drivers are looking for.



>>> controls. The training helped Julie and me to think like owners.”

Greg cites his weekly calls with his coach as a great advantage of the ATI program: “When you’re talking with your coach, you know you’re talking with somebody who’s got hands-on experience and a wealth of resources. Our original coach, Steve Provett, was a huge help because he told me exactly how it was and not

what I wanted to hear. Steve helped me see what I needed to see to get it done.”

ATI coaching includes referrals to vendors that have been researched and proven. One of those for Greg is an accountant focused on the automotive industry.

“Reed at Paar, Melis & Associates is an amazing guy!” Greg exclaims. “Having an accountant that is totally automotive focused

and responsive to your needs makes a night and day difference. I feel totally confident that my books are being handled properly.”

Greg’s business has benefitted from another component of ATI coaching, customer retention.

“The most important thing is staying in front of your customer,” Greg says, “and Royalty Rewards is an awesome tool for that.”

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Your Available Training Programs for January and February 2013

January 2013					
Monday	Tuesday	Wednesday	Thursday	Friday	Saturday/Sunday
	1 New Year's Day	2	3	4	5/6
7 Service Advisor 1 of 4	8 Service Advisor 2 of 4	9 Shop Owner 1 of 9	10 Shop Owner 2 of 9	11 Shop Owner 3 of 9	12/13
14 Service Advisor 3 of 4 Staffing & Hiring 1 of 2	15 Service Advisor 4 of 4 Staffing & Hiring 2 of 2	16	17 Master Mind California S.A. 1 of 4	18 Master Mind California S.A. 2 of 4	19/20
21 M.L. King Day Shop Owner 4 of 9	22 Shop Owner 5 of 9	23 Shop Owner 6 of 9	24	25	26/27
28 Service Advisor 3 of 4	29 Service Advisor 4 of 4	30	31		

February 2013					
Monday	Tuesday	Wednesday	Thursday	Friday	Saturday/Sunday
				1	2/3 Super Bowl
4	5	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 7 of 9	14 Shop Owner 8 of 9	15 Shop Owner 9 of 9	16/17
18 President's Day Service Advisor 20 Group 1 Service Advisor 20 Group 3	19 Service Advisor 20 Group 1 Service Advisor 20 Group 3	20 Shop Owner 4 of 9 Service Advisor 20 Group 3	21 Shop Owner 5 of 9	22 Shop Owner 6 of 9 Service Advisor 20 Group 3	23/24
25 Service Advisor 3 of 4	26 Service Advisor 4 of 4	27	28		

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Greg also uses online marketing, keeping his website up-to-date and making sure his shop is getting good reviews.

"I have ads in DexKnows.com, YP.com, Repair Pal, Extreme Wrench, Google Places and things of that nature," Greg explains. "I make sure we're getting good reviews and keeping the content fresh, monitoring our online reputation and generally working on the internal marketing of the three- and six-month retention letters our coach has us do."

Greg has time to focus on marketing because he no longer works "in" the business.

"I do not work *in* the business any longer. I work *on* it only. I do marketing," he says. "I used to get up at 4:15 in the morning to run the shop. Now I come in at 8. ATI's helped me get people in place that has allowed me to turn over the day-to-day operations and take all that pressure off me."

Greg and Julie have a condo on the Washington coast, and now with their shop in good hands, they can take days off and enjoy the beauty of Western Washington.

For Greg, implementing what he has learned from his ATI coach is the logical thing to do.

"You're dealing with the best of the best," Greg asserts. "You've got a group of people who know exactly what they're doing. They're not guessing. They're not testing things on you. They know how to implement it, and they get great results. Just have blind trust and faith. Take the initiative, execute what they recommend and in 90 days, you'll see a huge turnaround. You'll start loving life again." 

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