

ShopTalk



www.autotraining.net

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You Can't Blame the Weather

The sideline sports reporter interviewed a member of the losing team at a recent college football game I was watching. The player complained about the torrential rainstorm that had turned the field into a 100-yard-long puddle. The conditions made it almost impossible to run any normal offense. One team adjusted by sending in a different running back on every other play to keep their players fresh. The losing team slipped in the mud.

The key lesson is this: The weather impacted both teams equally. Both were slogging around in the same mud puddle. One team made adjustments and executed better to win the game. That's the same no matter what the weather.

Shop owners often tell me "But Chubby, I can't get those profit margins or service rates

because I've got a cutthroat competitor up the street." As if they are the only shop out of the 934 ATI coaching clients that faces tough competition.

This is like complaining about the weather. Sure it's bad, but everyone is dealing with the same situation. The winners will make adjustments and execute better.

We designed ATI's Re-Engineering program specifically to address the current times. You have different customers than you did 10 years ago. And your customers will change a lot more in the next 10 years.

Increasingly your customers are female. The moms are taking over the auto repair buying.

Women buy based on different criteria than men do. Women gladly pay for clean, convenience and trust. They don't want to be taken advantage of, and they don't want your people glancing at their chests.

If a woman is dressed provocatively, it isn't for the guy who fixes her minivan.

Price is low on the list of motivation for a woman. Her main concern is "I better not get stranded on the side of the road with my kids." For a mom, getting stranded is not just an inconvenience. For a mom, getting stranded is a total failure of motherhood. She has put her cubs in a potentially dangerous situation.

This provides you with a terrific sales opportunity. Maybe she caught the jerk up the street looking up her skirt while she sat in his waiting room. That's why she is in your shop this time. Let him cut his margins in a futile attempt to lure customers. He'll lose every time. Meanwhile, charge the prices you must

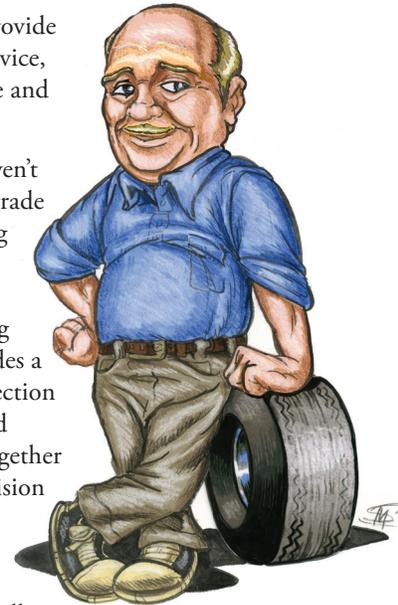
charge to provide first-rate service, convenience and reliability.

If you haven't already, upgrade your waiting room. The typical auto shop waiting room includes a motley collection of dirty used furniture together with a television blaring a ShamWow infomercial. Instead, we all have to model our waiting rooms after an upscale spa. I know, it's not my taste, either. I'd make it look like a hot rod garage. But we have to make the right adjustments for our customers, not for the environment we'd like to have.

Best of all, women buy preventive maintenance. How many times have you had a guy leave your shop with a dragging exhaust or bald tires? A lot, I'm sure. How many moms do the same thing?

The moms are the next big market. And you know what? Today's men are a lot like the moms of yesterday. These men are more concerned with shooting zombies on their Xboxes than with fixing a car. They'll feel at home in your new cushy waiting room reading *People* magazine.

Don't complain about the conditions. Everyone has to play the game under the same circumstances. Instead, change your approach, choose your customer and execute. Execute better and you'll win the game. **ATI**



ATI Wakes a Sleeping Giant

Bruce Taylor of Taylor Company BMW in Pomona, Calif., has been in the business since he was a teenager. His passion for racing motorcycles required him to learn some practical skills, like fixing the truck that transported his BMW motorcycle to races. He used those skills after college to start a repair business with his brother and then moved on to work as a tech for a BMW dealership in Los Angeles.

"I went to the BMW school and got a formal education," Bruce says, "and then I started my own shop 22 years ago."

Bruce says he was good at fixing cars, but not so great at managing a business. So he turned to ATI about eight years ago.

"The ATI term for what I used to be is a 'sleeping giant,'" Bruce grins. "I had the cars. I had the customers. But I didn't know how to make money."

Bruce heard about the ATI Boot Camp through his local ASC.

"We got a flyer from the ASC, and since they prequalify everything, I figured these guys were legit. I went to one of the Boot Camps. Chubby was teaching it," Bruce recalls, "and he's a pretty charismatic guy."

Charisma aside, Bruce needed a practical reason to invest \$30,000.00 into ATI coaching, and he found it by looking at the shop next to his.

"I'm next door to a Goodyear store," Bruce explains, "and when I was really floundering, I looked over there and was so jealous because they have MBAs to figure out how to make their business work. I didn't have that information. But then I realized that is what ATI could provide me—the same kind of tested and known statistics to make my business run right. It was a lot cheaper to pay ATI than to pay percentages to a franchise."

It wasn't long before the "sleeping giant" awoke. "Within nine months, things kind of skyrocketed!" Bruce exclaims. "We went from doing \$850,000.00 a year to \$1.2 million! It was pretty amazing."

Bruce got these amazing results by increasing prices, making his employees more accountable and focusing on efficiency.

"By making our employees more accountable for the work they were doing, we were able to go from four to three technicians," Bruce explains. "The efficiency of the shop increased dramatically, and we got over the self-doubt of raising our prices."

Self-doubt was the hardest thing to overcome.

"You just don't trust that you can do it," Bruce says. "And those guys at ATI kept saying 'Yeah,

you can do it. Just do it.' They were 100 percent correct. What our customers wanted was the service we were providing. They didn't care so much about what it cost."

Bruce says that today Taylor Company BMW is like a boat on a rising tide: "The whole boat got lifted. We have a lot of hardworking employees that make way more money than they did before. And last year, even though we got buffeted a bit by the recession, we exceeded the best year we'd ever had, which was in 2007. I just got back from the Mastermind meeting, the 20 Group; and actually that was true for a number of people."

Increased marketing and advertising have played a big role in Taylor Company's success, and now that Bruce has his shop running smoothly, he has more time to focus on this part of the business.

"When I was working in the business, I was always behind the curve," Bruce says. "I was too busy. I couldn't work six weeks ahead or sit down and do a 12-month marketing calendar and then actually get it done. Now that I'm observing more than being involved in day-to-day operations, I'm much more able to keep my eye on the numbers, and then when things start to move away from where they should be, I'm in the position to concentrate on making the needed changes."

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Sam's Corner

Chubby Wants to Make Your Next Monthly Investment!

If you are an active ATI Re-Engineering or Alumni client we want to thank you for bringing a friend to an ATI Boot Camp when we are near your shop. We know many of you have been great references when we send clients to you but our biggest challenge is getting potential clients to the Boot Camp. If you were to attend you may be able to get four or five friends to come with you! As many of you shared with me when you joined ATI, you attended many Boot Camps before you decided to invest in ATI. You were all surprised how content-rich our introductory Boot Camps were, and everyone who has ever attended implemented something from every Boot Camp they attended. Your shop owner friends may be afraid for a host of reasons, but you could help them understand we are the real deal if the time is right for them to invest in themselves with a Re-Engineering Program.

So, why would you want to help a friend? We have learned from our eleven 20 Groups that being able to talk to other owners that are at your level in business is critical to obtaining good advice. Things change in your area and we can't always stay up on every regional opportunity or challenge. Plus, the only way to have friends is to take the step to help out others that might not be

as knowledgeable about the automotive service industry as you are in your business after being an ATI member.

Should you help a competitor? Your first reaction might be NO, but many smart shop owners have used ATI Boot Camps to get their competitors' pricing more in line with their pricing. If you think about it, wouldn't you prefer to compete on quality and relationships rather than on price? You might think you don't want that kind of customer but I bet a lot of their customers were not necessarily price shoppers but were referred there by a price shopper.

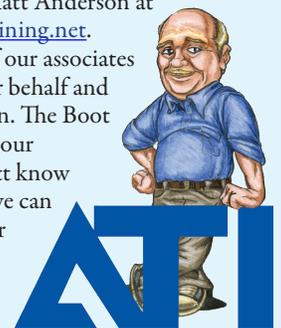
Why would you want to attend another Boot Camp? You will be recognized as a successful ATI client and asked to tell your story to encourage other owners to drop their misguided belief systems and encourage them to change. Also, I have talked to many of you that went back to a Boot Camp for a tune-up and a reinforcement of your original mission to increase your free time and improve profits! The current Boot Camp, "Think Like a CEO," has received extremely high satisfaction ratings from the AMI surveys and it is worth seven AMI credits toward your AAM designation. Since we are always improving and learning new

techniques ourselves, you will probably see some new techniques and tips for improving your business since you were at The Institute last.

So, how do you get the fat boy to send you a check? Bring enough friends or referrals so one of them joins the Re-Engineering Program. All it takes is four shop owners and one of them will join right away. The rest may have to attend several Boot Camps before they see the value but we will track them for you! Your Boot Camp fee will be 100 percent rebated after your referral attends the class and spends time with an ATI Management Consultant doing a shop operations analysis in their shop.

So, send your four referrals' names and phone numbers to Matt Anderson at manderson@autotraining.net.

Matt will have one of our associates contact them on your behalf and handle the reservation. The Boot Camp schedule is on our website. Also, let Matt know if you can attend so we can prepare the instructor and thank you for this WIN/WIN experience!



Accountability and Expectations

By Tom Ringle



As a shop owner with so many things to do to get through the day, you may find yourself seeking new ways to create or define accountability. So what is accountability? It is owning the consequences of our own actions and decisions. It means you are responsible to someone or something; and through this you cause something to happen. Every person in the workplace must be held accountable. Without accountability, reaching or achieving the goals of the business is not likely to happen.

As owners and managers you regularly deal with managing your work force. Too often, you have all this talent in your workplace, yet goals are not being met and the business isn't nearly as successful as you know it could be.

Systems for accountability must begin with a clear focus and clearly set expectations. In other words *who does what by when?* On a regular basis, communicate to your employees that accountability and commitment are crucial to fulfilling the company mission. Chubby speaks about creating a culture in the workplace: creating accountability means developing a climate in which employees as members of the team can speak openly, admit to mistakes without fear of reprimand and take more pride in serving the customer than in looking better than a coworker. Create a workplace where there is a high level of trust so members of your team are independent but also interdependent. They have to share information, and give and receive feedback in order to grow and improve. Set your employees up to succeed: give them a clear understanding of their responsibilities, the authority necessary to fulfill these responsibilities and the knowledge that they hold accountability for their outcomes.

You as owner should make each team member aware of his or her role and responsibilities.

Clearly define the job standard or expectation; don't always assume employees know what you want done or how the job should be completed. Detail and outline what you expect. Once expectations are clearly defined, make sure employees are given a chance to voice their opinions, concerns or ideas. In order to gain buy-in ask questions like: Do you think we can hit this new productivity number? What things might stand in our way? What do we need in the form of training, tools or resources? In this way, you and the employee reach an agreement on what is expected of them.

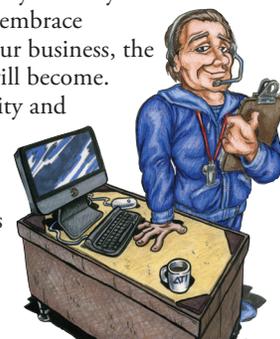
Show the employees you are empowering them to be a part of the solution and not merely forcing a new standard they may feel is unreasonable or unobtainable. Accountability requires measurement, follow-up and consequences. As the saying goes, "If it can be measured it can be improved." Measuring and keeping score enables the owner and the employees to see whether they are meeting their objectives. Believe it or not, employees like accountability because it brings a sense of accomplishment. They take pride in meeting the goals and expectations and celebrate the success as a team. If the objectives are not met there must be consequences. But don't always focus on the negative; catch them doing something good and let them know about it. When they are held accountable they know their role in the organization and will be more committed to making things happen. Give and receive frequent, honest feedback and hold meetings on a regular basis. Once they can let go of fear they will step up, improve and create better results.

I believe as leaders and managers we must have an expectation and a belief that people want to do their best. We only need to provide them with the tools and resources, and set and define expectations so they can do their jobs. As you strive to create an environment where accountability lives, employees will develop

a focused awareness about their job and workplace, so they can focus their attention on meeting customer expectations.

The word accountability is often elusive, ill defined and rarely applied in our workplaces. It's too often defined as the act of holding others responsible for their actions whatever the results, good or bad. Accountability should not be used for assessing blame or punishment or used to unfairly reprimand or simply to make a point. Accountability is about setting your expectations and clearly communicating them. Are you ready to look in the mirror and say "I will make the necessary change in my thinking about accountability and clear expectations"? Will you hold yourself and your employees responsible for meeting the established expectations and goals that you and the team set out to achieve?

Accountability and setting expectations is a process; you must begin with the end in mind. Accountability is an achievable goal once acknowledged, practiced and encouraged. When you take on accountability you are no longer in fear of accepting responsibility. Accountability is not something you make people do; it must be chosen, accepted or mutually agreed upon by you and your employees. There has to be "buy-in." I don't believe anyone starts on a job not wanting to do their best. If over time some employees become uninterested or complacent, customer service suffers. But as you and your employees together embrace accountability in your business, the more successful it will become. Having accountability and setting expectations are key components in your personal and business success both now and in the future. **ATI**



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Now that Bruce has more time for marketing, he has increased his shop's presence on the Internet and collects his customers' emails to send promotions using Demandforce, an automated system that engages customers and tracks results.

"In large part because of the Mastermind group and one of the guys in there who's really switched all of his marketing over to the Internet, we really got our Internet presence straightened out," Bruce says. "And since we're a niche market, it's pretty easy to get high rankings on the local search results."

Bruce has implemented a simple strategy to even out his car count during holiday weeks, when business usually slows down: "The last two or three days before a big holiday like the Fourth of July, we would go into a big, big slowdown, which basically ruined the week. Now through email marketing, we put together limited-time sales. They're only good for three days, and we announce it just two days before the sale begins. It's been great for keeping up our car count."

Married for 26 years, Bruce and his wife, Patty, have a son, Charles, who is 25, and a daughter, Hester, 21. With the changes he has made in his business, Bruce has more time to spend with his family.

"ATI is great about getting you out of working in the business and working on the business," Bruce says. "I'm not very involved with day-to-day operations, so basically I can pretty much do whatever I want."

Bruce says he owes much of his freedom to listening to his ATI coach and having a good service writer on staff.

"You need to trust what your ATI coach is telling you and then do it. For example, if the owner's writing service, you can't get out of that cycle of feeling overwhelmed," Bruce explains. "I just don't see how you can fully fulfill your responsibilities as an owner if you're working across the counter with customers all day." **ATI**

Your Available Training Programs for October and November

October 2011

Monday Tuesday Wednesday Thursday Friday Saturday/Sunday

					1/2
3	4	5 Shop Owner 1 of 9	6 Shop Owner 2 of 9	7 Shop Owner 3 of 9	8/9 Yom Kippur
10 Service Advisor 1 of 4	11 Service Advisor 2 of 4	12	13	14	15/16
17 Service Advisor 20 Group West	18 Service Advisor 20 Group West	19	20 20 Group Baltimore 1 of 2	21 20 Group Baltimore 2 of 2	22/23
24 Service Advisor 3 of 4 20 Group 1 of 2	25 Service Advisor 4 of 4 20 Group 2 of 2	26 Shop Owner 7 of 9	27 Shop Owner 8 of 9 California S.A. 1 of 4	28 Shop Owner 9 of 9 California S.A. 2 of 4	29/30
31 Halloween					

November 2011

Monday Tuesday Wednesday Thursday Friday Saturday/Sunday

	1	2	3 S.A. 20 Group 1 of 2	4 S.A. 20 Group 1 of 2	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 Veteran's Day	12/13
14	15	16 Shop Owner 4 of 9	17 Shop Owner 5 of 9 California S.A. 3 of 4	18 Shop Owner 6 of 9 California S.A. 4 of 4	19/20
21	22	23	24 Thanksgiving	25	26/27
28	29	30			



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