

## PROFIT MOTIVE: YOUR COMPASS TO FINANCIAL SUCCESS

# Develop and maintain SOPs: Part 2

Processes can help manage customer relations and staff performance

BY KEITH MANICH | CONTRIBUTING EDITOR

Last month (*Develop and maintain standard operating procedures: Part 1*), we looked at the ease of use of standard operating procedures (SOPs) and how to simplify their creation. The focus in part one was how to work with customers and how to make

sure the customer experience was as seamless and productive as possible. It's important to remember you have two kinds of customers: internal and external. So the question becomes, "How do we manage the internal customer and what can we build to help them with stress reduction?"

The answer is to develop a repair SOP, using very much the same process as we saw in part one. However, it becomes more technical because the process involves following specific repair procedures, a critical eye on repair quality and ultimately the success or failure of the repair. As we look at this SOP, we will take brief looks at how estimating, quality control and some unusual cost factors impact the SOP even though it isn't readily apparent why.

So let's do a quick review of the key areas for developing the SOP:

1. Clearly identify what must be done.
2. Notify those responsible on what their tasks are.
3. Provide information relative to the proper completion of the tasks.
4. Identify the documentation requirements.
5. Identify proper tools and equipment.
6. Identify and establish quality control requirements.
7. Identify inspection requirements before release to the next tech.

So as we review, we see that the keys to development use many of the same steps with the only differences being the information that is provided, where it comes from and how it's provided within the process steps. Remember the key is still "to be consistent and repeatable in your processes so that it becomes an expectation of a specified performance."

## Identify what needs to be done with a detailed repair plan

Providing a detailed repair plan won't be the task performer's duty in this scenario. Rather, it will be provided by the repair planner or estimator. What is critical here is that all necessary repair process information is gathered from relevant sources and bundled. This set of documents, in which all repair steps are identified, goes with the estimate to the repair technician. Why is this important? It allows shops to properly schedule their time and ensure repair plan accuracy.

Many times the technician will have the skills and experience to complete the repairs, but the estimator and the repair technician must be sure that any changes for the vehicle that is being worked on are properly identified. The old "I've been doing this for 20 years" doesn't apply any longer. Each vehicle, the accompanying repair processes and all diagnostic and repair checks must be reviewed before each repair. This

will ensure that the vehicle is repaired using the most up-to-date information, therefore ensuring that the vehicle is in fact returned to preaccident condition and performance.

## Notify staff on what their tasks are

A morning and early afternoon meeting should be regular practice in any repair facility where multiple vehicles are being repaired and time is an important factor in satisfying customer needs. These should be meetings that include all of the production staff so that each knows what they are responsible for and when. These meetings should include a separate meeting held initially between the estimator/repair planner and the technician.

The information that was identified when writing the repair plan and the expectation for the performance requirements must be discussed with the technician. This must be a standard practice. Each technician needs to know that time was spent researching repair procedures. If anything is identified as unusual or changed, or a new practice is to be done, they need to understand why they can't circumvent the process and skip required steps. A review makes it less likely this could or would occur.

Although not typical, mid-model year changes in design, parts, components and repair procedures can occur. If the materials aren't reviewed, the potential for even a catastrophic repair failure may exist. Avoid that by following these steps:

1. Proper vehicle identification
2. Proper repair process identification
3. A thorough review with the repair technician

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4. Proper identification of parts
5. Scan toll diagnostics as required by the OEM

Any changes after the initial meeting should always include the same individuals as the initial meeting as well as being documented for supplemental consideration and notification.

### Provide information needed to complete these tasks

The required tasks that are assigned to the production staff must be clearly communicated to avoid gaps in the repair process steps. As part of the SOP, it is sometimes necessary to communicate tasks in writing, or by printing estimate copies for each technician with their assignment highlighted. It may seem that this is additional work, but avoiding the chance of missing tasks is actually a time saver and can also be a way to avoid in-process delays by clearly specifying individual repair assignments.

It's also a benefit to the receiving technician (the next one in line for the car) to have a checklist that must be completed after each repair step. When used properly, these tracking checklists can immensely improve cycle time and quality, and ensure that no process steps are missed. Most significantly, in-process "come backs," which plague the high production world, seem to be eliminated by this step in the process. Savings in paint and materials, and in allied chemicals and paper, are significant.

### Documentation requirements

What should you be documenting? Well, everything! It's important to make sure that you cover all of your bases. This includes liability. Make sure that you have all of your procedures documented and that the information is specific to the production date and VIN not only for the car you are repairing but also any car you write an estimate for. This can cover you in a number of ways, but let's look at them one at a time:

- Repair procedure identification. The vehicle construction, specific parts, reinforcements and most importantly the materials that the vehicle is made of and the material locations.

- If there is any chance of a third party interfering with the estimate by reducing operations or hourly rates, or by nonrecognition of essential operations such as zero point calibration or other very necessary and very required scan diagnostics.

- Glass removal or other operations that might have significance in FMVSS investigations after the fact. These include glass installation, changing of federal standard requirement parts such as airbags, exhaust and other federally mandated equipment.

Always take the time to make sure that conversations that take place with outside influencers are documented in the event that you are required to bring them up at a later date for whatever reason. You are in an environment where it is easy to forget conversations, so write them down. You never know when that information may become useful for either internal or external customers.

### Identify proper tools and equipment

Familiarizing yourself, the estimator, the blue printer and all the technical staff with any new tools and equipment when they are purchased is important. But there may be things that are already in the store that some may not even know are there. This equipment could be a timesaver and more importantly could be necessary for a repair and not be recognized for it. When you conduct your meetings if there is a tool like this that the staff has identified as being specific for a repair process, show it at your meeting. Identify what it is, what it could be used for and most importantly, how it could reduce repair time.

With the advent of rivets, bonding requirements and other recently added repair processes, it is important to share repair tool information just like we do repair processes. It may change the technician's outlook on the repair in general and the approach to the repair more specifically. Some people are still reluctant to try new things. To use an old phrase—"You can't teach an old dog new tricks." Unfortunately, that dog is going to need to stop repairing collision damaged vehicles. Each new type of vehicle construction requires new methods of repair, tools to repair with and skills to accomplish tasks. Those who don't want to learn and follow the SOPs identified for these processes may need to change trades. This one requires skill, thinking and the ability to change with the times.

### Identify and establish quality control requirements

Quality control is the single most important production tool that we have. Of course this only works when we can depend on it being used properly. Any-

## SMALL CHANGES MAKE ALL THE DIFFERENCE IN SHOP EFFICIENCY, PROFITS

BY AL THOMAS | CONTRIBUTING EDITOR

*As with many competitive activities, success comes down to finding the small changes that can greatly affect the end result. At the Indianapolis 500 or in the Olympics, the race is often won by tenths of a second. In business, specifically the collision repair business, finding changes that shave small amounts of time or cost off of each job will markedly improve the profit for each repair and the overall profit of the business.*

*Many operations view standard operating procedures (SOPs) as helpful; but not many have taken the time to establish procedures for each type of job. Operators often look at the task of creating SOPs as more work than they are worth. Some get bogged down with what they perceive as an impossible job: to write a procedure for each type of job that comes into the shop.*

*If you think having SOPs means that you must have a procedure for how to change every make, model and year of door skin, you would be correct in deeming it a never-ending job. But SOPs are useful for large categories of jobs, such as masking, surface prep, new part replacement, welded-on part replacement and air conditioning evacuation and recharge. When using established SOPs, the shop can increase productivity, reduce cost, increase quality, reduce job time and build a sense of teamwork within the shop. Engaging employees to help build the SOP also further helps ensure it is followed.*

thing less than 100 percent quality control is a disservice to the business, the owner, but most importantly to the customer. Think about quality control as first time through repairing. It reduces costs, reduces potential legal exposure, reduces additional rental expenses and reduces the potential of bad CSI. With that said, it is a tool that costs nothing and provides maximum return on investment.

When the quality control process is deeply ingrained in the production SOP, it reduces the possibility of someone not taking the time to complete repair operations

using the proper repair methodology, for fear of being exposed as “the one” who didn’t do something properly.

Demand that accountability and build it into the SOP. That may or may not include some sort of penalty when the quality process is breeched.

Each segment within the repair processes already has SOPs that have been built by paint companies, allied material providers that when used will help you in establishing the requirements for your SOPs. Items such as sanding to a specified grit is one of the areas that seem to be a lightning rod for opportunity, since not meeting this requirement backs up the paint shop and keeps the work flow stagnant.

It is important to look at each potential “choke point” and determine what will avoid the “choke.” That means analyzing each process step and determining if it is people or process that is the issue, and once the solution is determined, inserting it into your SOP to build in a standardized practice that will be sustainable over time. It will take management to ensure that the

sustainability continues, but the buy in is the hard part.

**Identify inspection requirements**

The inspection process can be done several different ways:

- Self-imposed by the repairing tech
- Observed by the receiving tech
- Management observed by a production manager

This can be accomplished through a variety of visual indicators being used to show it’s either ready or ready for inspection. Cones, flags, lights and many other items have been repurposed to show that a vehicle is ready to move to the next production location. The important point of this exercise is to show that the vehicle has been reviewed and observed and is ready for the move to the next location. That means “come and look at it and tell me it’s ready.” Review before movement is the compelling point. Don’t let it go to the next tech when it is not ready. The SOP should stress this aspect of the process. This avoids any production back ups.

So let’s review again:

1. Clearly identify what needs to be done.
2. Notify those responsible for a particular work product what their tasks are.
3. Provide information relative to the proper completion of the tasks.
4. What are the documentation requirements?
5. Identify proper tools and equipment.
6. Identify and establish quality control requirements.
7. Identify inspection requirements before release to the next repair technician.

Develop your SOP by clearly defining the production parameters that you will be looking for your staff to maintain. Quantity, Quality, Performance Standards, Documentation and Materials. These are all measureable factors in the repair process that if observed and maintained will not only provide stability by having a sustainable SOP, but will result in quality-driven repairs that go through the store first time, every time. ☑

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