

ATI | ShopTalk

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UPCOMING CLASSES

November

- 5, 6 Service Advisor Course Part 2 - ATI's 7 Step Process
- 7, 8, 9 Shop Owners Course Part 1 - Aligning Your Shop For Profit
- 7, 8, 9 Collision Owners Course Part 1 - Keys to a Successful Collision Repair Business
- 8, 9 California Service Advisor Course Part 2 - ATI's 7 Step Process
- 12, 13 Service Advisor Advanced Sales
- 14, 15, 16 Shop Owner Course Part 3 - A.B.M. Always Be Marketing
- 14, 15, 16 Collision Owners Course Part 3 - A.B.M. Always Be Marketing
- 19, 20 Collision Repair Estimating and Sales Course Part 1
- 19, 20 Service Advisor Part 1 - The Role of the Service Advisor
- 26, 27 Shop Owner Course Part 4 - Staffing and Hiring
- 26, 27 Collision Owners Course Part 4 - Staffing and Hiring

December

- 3, 4 Service Advisor Course Part 2 - ATI's 7 Step Process
- 3, 4 Collision Repair Estimating and Sales Course Part 2
- 5, 6, 7 Shop Owners Course Part 1 - Aligning Your Shop For Profit
- 5, 6, 7 Collision Owners Course Part 1 - Keys to a Successful Collision Repair Business
- 12, 13, 14 Shop Owners Course Part 5 - Succession Planning
- 12, 13, 14 Collision Owners Course Part 5 - Succession Planning
- 12, 13, 14 Shop Owners Course Part 2 - Advanced Management and Leadership
- 12, 13, 14 Collision Owners Course Part 2 - Advanced Management and Leadership

January 2019

- 2, 3, 4 Shop Owners Course Part 2 - Advanced Management and Leadership
- 2, 3, 4 Collision Owners Course Part 2 - Advanced Management and Leadership
- 3, 4 Service Advisor Part 1 - The Role of the Service Advisor
- 7, 8 Collision Production Course
- 9, 10, 11 Shop Owners Course Part 1 - Aligning Your Shop For Profit
- 9, 10, 11 Collision Owners Course Part 1 - Keys to a Successful Collision Repair Business
- 14, 15 Service Advisor Course Part 2 - ATI's 7 Step Process
- 16, 17, 18 Shop Owner Course Part 3 - A.B.M. Always Be Marketing
- 16, 17, 18 Collision Owners Course Part 3 - A.B.M. Always Be Marketing
- 21, 22 Service Advisor - Advanced Sales
- 30, 31, 1 Shop Owners Course Part 5 - Succession Planning
- 30, 31, Feb 1 Collision Owners Course Part 5 - Succession Planning
- 31, Feb 1 Service Advisor Part 1 - The Role of the Service Advisor



So You Want to Know About Five-S?

Keith Manich - Director, Collision Division

Since I have been involved in many quality systems over the years, organizing a business so that you can drive the maximum production potential has always been a top interest of mine. About 15 years ago give or take, the new buzz words were Lean Production Systems. The Japanese, always trying to improve their processes, came out with a continuous improvement process model which included something called Five-S. It used some very interesting approaches to organizing the business. This wasn't just for production, but for the customer service areas as well, including the front office and all the way through the rest area and customer convenience spaces.

So what is Five-S? It is an organizational methodology that is used to be sure that we eliminate any waste in the facility or the processes to keep those producing the "widgets" focused on them and not things which don't help produce the products. Anything that might be a detriment to productivity is eliminated helping to keep productivity at its maximum at all times.

The Five-Ss are: Sort, Set in Order, Shine, Standardize and Sustain. These are simple words with huge implications in all areas in the business they are applied to.

The first step, Sort, is going through all of the processes and materials, paperwork or systems used within those processes and identifying waste.

That could be something as simple as forms, to something as complex as tools. It could be just old junk that's just lying around and perhaps in the way. Once it's identified, removing it and discarding it.

Then we move to the second step of Setting Things in Order, or developing an alternative plan that removes the waste and starts to streamline the processes. With less interference because waste is removed, improved efficiency typically follows. This results from simply putting necessary tools and equipment closer to the work area or, in the office areas, placing forms close to where office staff would use them versus their having to take additional time to go find them. Organizing the workspace is key to improving performance.

The third step is the Shine. Shine relates to the cleanliness of the facility. For the customer it means entering a business that looks like a business should. Inviting, clean and organized and the appearance that the business is ready to serve the customer's needs. This also impacts the employees as they see the more inviting workspace as a place where they can produce the maximum amount of work product. It helps them to be proud of their work environment and know that it's safe and void of nuisance items and hazards. Maintaining this is a bit more of a challenge but if this process is followed properly, the maintenance of the facility becomes continuous. Continuous improvement is one of the cornerstones of this organizational model.

The fourth step is Standardization. This one happens to be this writer's personal favorite. A place for everything and everything in its place. Repetitive processes that leave no place for excuses. The processes are clearly defined as are the expectations. If the employees make a habit of

following the Standard Operating Procedures or SOPs, the implementation and execution of the processes is made significantly easier than the typical haphazard "do it different every day" approach.

Again this isn't only for production employees; this could be tasks such as answering the phone and documenting files. Being sure that everything that the employee is accountable for is clearly identified, clearly defined and they are held accountable for compliance using measurements that can be validated through an audit process. Visual indicators are a big part of this step including labeling tool and equipment locations, mapping walkways and equipment on the floor, signage and performance charts or status boards on the walls. This takes any chance of making an improper determination out of the review process. The measurement dictates the performance goal and result.

The last but one of the most important aspects of this organizational model is Sustain. That means a long-term commitment to the plan and a very detailed execution process that gives consistent and repeatable results. All employees from the CEO to the lowest level employee must have the same commitment to the process. It is all inclusive. Why? Each employee depends on the other for executing their part of the program without hesitation and at the highest level of competency. The team as a whole depends on the individual performances so that the overall performance of the business is sustainable with the least amount of effort. It is not unusual for this type of effort to result in a minimum of 15 percent improvement in overall productivity.

CAUTION

Like most changes in company policy, this one needs to be implemented with a long-term strategy as the goal. The changes that this type of organizational activity bring are significant. So as the implementation begins, create an environment where each step is implemented department by department. As successes are identified, then move on to the next.

Wholesale change all at once doesn't allow for an examination of each step. If a concern is identified, no one will be able to identify what corrective action will be required because too many things were undertaken at one time. Slow steady implementation is the key to your success. Managers who I have worked with on this process previously have always stressed slow and steady works much better than quick and radical.

Take some time to get better educated on this process which will help you long-term with your process improvement processes. There are now two Five-S Webinars available in the portal which will help you get a better understanding of the program and how it might work for you. Continuous improvement is the goal; using SOPs keeps the process grounded, and the use of audits or reviews keeps management focused on results and employee performance. The true winner is the business because all things that impact it are reviewed frequently and when a correction is required, the needed corrective actions are much easier to identify.

The ATI Way

Fundamental #6: Go the Extra Mile

Be willing to do whatever it takes to accomplish the job — plus a little bit more. Whether it's starting early, staying late, or doing something that's not in your job description, it's the extra mile that separates the average person from the superstar. Be a superstar. —From Kevin Chzaszcz, ATI Coach



Going the extra mile is truly what wows our members. It's the little bit extra that our members remember. Whether it be making sure they get to the correct classrooms when they come to class, to retrieving a forgotten cell phone or making sure they get back to the hotel when a shuttle is missed. In the end, these things are what come to mind, when members think of their experience with us. None of these things require superstar qualities, just the making sure that people get taken care of when they are in the times of need.

This fundamental is more than just for our members. We can go the extra mile for our teammates, whether it be holding the door, keeping the café clean or brewing the next pot of coffee when the pot gets low. These things make the entire company run seamlessly and they are why members so often comment on how nice it must be to work here and that we have a world-class facility. And yes, many have told me this and I hope to keep hearing it.

AUTOMOTIVE TRAINING INSTITUTE MEMBERS RAISE MORE THAN \$70,000 FOR ORLANDO'S KID BEATING CANCER CHARITY AT ANNUAL CONFERENCE

The Automotive Training Institute (ATI), an automotive business coaching and training company, raised more than \$70,000 for Kids Beating Cancer (KBC) from attendees at its annual SuperConference. This year's conference was hosted near KBC's facility in Orlando, Florida, and was attended by more than 600 of ATI's members, partners and vendors. Some attendees raised the money through fundraisers at their businesses prior to the event and others participated in fundraisers on-site and made pledges at the event.

KBC provides life-saving transplants and testing to children with cancer regardless of insurance coverage or the family's financial means. These services are provided at no cost at the KBC Pediatric Transplant Center. "ATI's member donations will help us uphold our commitment to expand services to more children by removing financial barriers. We are grateful for this donation and have dedicated a kids patient room at the KBC Transplant center at Florida Hospital for Children in ATI's name," said Sam Azar, vice chair of the KBC board.

ATI was honored among other top donors at KBC's Hats & Heroes Ball on Saturday, Sept. 29. Days later, on Oct. 1, members of ATI's leadership attended an unveiling at the KBC Pediatric Transplant Center to view the kids' patient room with a permanent sign recognizing ATI's members contributions from SuperConference 2018.

Richard Menneg, president of ATI, said of the fundraiser participants, "Our members are the heartbeat of their communities and this type of generosity shouldn't surprise anyone. They do it every day."



The ATI SuperConference is where the best of the best in the automotive aftermarket meet to celebrate their success and learn strategies to run more profitable shops that thrive in today's economy. The 2019 SuperConference will be held in San Antonio, Texas in March.



How to Bounce Back From Your Setback

Eric M. Twiggs, ATI Coach

So, there I was, managing a 3.5 million dollar shop in Largo, Maryland. For three months, I had a pressing need to hire another technician. While my colleagues and competitors complained about car count, I struggled to get the cars out that I had! But things were about to change, because “Steve” had just accepted my offer to become the “A” technician.

Steve graduated from Lincoln Tech, had all the industry certifications, and had a following of customers that he promised to send my way. He passed his drug test and background check with flying colors. During the reference checks, Steve’s previous employers told me they would hire him back in a heartbeat. I was looking forward to having him on my team.

Two weeks later he reported to work. I watched him during the morning shift as he completed several jobs under book time. As he clocked out and went to lunch, I patted myself on the back for making such a great hire. Two hours later, my assistant manager asked the following question that changed my mood: **“Do you know where Steve is?”** Later, at 5:00 p.m., we were still asking the same question. **Steve never came back from his lunch break!** What a setback!

Whenever “Joe,” my district manager, asked about my technician staffing levels, I would remind him about Steve’s extended break. Joe seemed to get annoyed each time, and I didn’t know why. Then I read the following quote from the book *“Grit”* by [Angela Duckworth](#) that gave me the answer: **“Do not let temporary setbacks become permanent excuses.”** For me, *losing Steve had become a permanent excuse.*

Have you been allowing a temporary setback to become a permanent excuse? This mentality will make it harder for you to **bounce back**. The key to making a comeback is to embrace an **ALWAYS mindset**.

The owner with the **“always mindset”** is always preparing for the worst-case scenario. Anticipating a possible setback gives you the opportunity to bounce back faster, and may prevent the setback from occurring. Below are two areas of the shop where you can apply this mentality.

ALWAYS Be Hiring

Every week I communicate with a shop leader who calls me in a panic because of the

surprise resignation of their best employee. In most cases, these leaders rejected the idea of **“always be hiring”** when it was initially presented to them. The most consistent concerns I hear are as follows: *“What do I say to people I don’t want to hire?”*; *“What will my current employees think?”*; and *“Will my customers lose confidence in us if I post a hiring sign?”* Instead of voicing these concerns consider the following question: **If today, your best employee takes a lunch break that lasts a lifetime, how long would it take you to bounce back?**

That uneasy feeling in the pit of your stomach is confirmation that you should **always be hiring**. When you find a great candidate, ask her about the other great people she knows.

Once she accepts your offer, continue to refresh your ads and keep your hiring signs in place. Over time, this will give you an extensive list of candidates to contact if you have to fill a sudden opening.

Many great candidates are lost during the two weeks between acceptance and start date, because **most owners think they’re done once the candidate says yes**. This is the perfect time to display the always mindset. I recommend doing a **welcome dinner** where you meet at a restaurant with the candidate and their spouse/significant other.

A University of Chicago study concluded that similar food consumption leads to increased trust and to increases in cooperative behavior. Maybe Steve would have returned from his break if I had done a welcome dinner to establish trust. I should have embraced the always mindset.

ALWAYS Be Marketing

Several years ago, I worked with a client who experienced a major decrease in business. He was down 25 percent in gross sales, and losing money on the bottom line. Whenever I asked him about his future, he would spend twenty minutes reminding me about the major fleet account he lost the previous year. This pattern continued for several weeks until one day out of frustration, I interrupted him in mid-sentence.

I asked what he had done since the previous call to attract additional fleet business. All I heard was [the sound of silence](#). **He had**

allowed a temporary setback to become a permanent excuse. If you’re **ALWAYS** marketing, you will sing a different tune, instead of sounding like a broken record.

The best place to start is with your existing customers. According to the American Marketing Association, **68 percent of all business is lost because of a failure to follow up. It’s easier to stay in touch than it is to get in touch.** In other words, if you’re consistently communicating with your customers via social media, text messaging, phone calls, and emails, you stand a greater chance of becoming their shop of choice.

If you’re **ALWAYS** communicating with the fleets in your area, losing an account will not be as devastating because of the other relationships you’ve developed.

When was the last time you delivered cookies or donuts? What special promotion have you offered the fleet employees for their personal vehicles? Have you offered the fleet manager who says he’s loyal to another shop, a \$100 credit as a trial gift? If you answered **YES** to all three, you are positioned to bounce back, and you may prevent a setback from happening!

To this day, I wonder what happened to Steve. I’ll bet he’s working for a shop owner who rebounded from a surprise resignation, by hiring him. If you embrace the “always mindset,” you can bounce back from your setback as well.

CONCLUSION

PS. Does the thought of suddenly losing your best employee keep you up at night? Email etwiggs@autotraining.net to receive an “Always Be Hiring Checklist” so that you rest easy.





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