

Top three problems

What are the top three problems a collision repair shop owner faces? If you had 10 shop owners in a room, you might receive 30 different answers.

So for the sake of keeping this column to its usual word limit, I invited one shop owner, Mike Anderson, into the room.

Anderson, owner of Wagonwork Collision Center, a pair of facilities in Alexandria, Va., gave me his list.

One: Labor Shortage

Why are collision repair shops having trouble finding and keeping good help?

One reason might be that few of them are able to offer their employees benefit packages.

It's one thing to offer collision repair technicians, painters, office staff, and other personnel a decent salary. It's another to be able to give them a health care package and retirement benefits. Anderson says benefits often outweigh salary considerations when an employee is looking at a job offer.

What can collision repair facilities, particularly small companies, do to improve their employee benefit packages? One possibility is to work with their local associations to come up with cooperative arrangements. Another is to investigate benefit packages tailored especially to small businesses. They do exist.

The problem, of course, is expense. Health insurance and retirement packages aren't cheap, and small collision repair facilities are already struggling with increasingly tighter profit margins. This issue should be brought to the



Loftus

By Sheila Loftus

attention of everyone associated with the collision repair industry—including insurers. No one benefits from a labor shortage.

Another way to retain employees, Anderson says, is to be more understanding of their personal needs. Every Friday, Anderson closes his facilities at 1:00 in order to give his employees a jump on the weekend and more time with their families.

An employee is likely to be more loyal if his or her needs are understood and accommodated.

In addition, it's important to spend money on employees up front. Anderson pays his apprentices \$10 to \$12 an hour, higher than the usual salary. Why? Because he'd like to keep them, and they're less likely to jump ship if their salary is decent.

Also, Anderson says it's important to look at everyone—not just young men fresh out of high school or technical college—as potential employees. For example, a retired police officer and a retired military officer are employed at Anderson's facilities. He thinks a mix of young and not-as-young is good for a shop's atmosphere.

In addition, Anderson believes women can do the jobs traditionally left to men, and his hiring bears this out. His facilities now employ women as collision repair technicians and painters.

Two: Too Many Voices, Not Enough Unity

The Automotive Service Association, the Society of Collision Repair Specialists, and other national collision repair groups are doing fine work, but they tend to focus on separate agendas, therefore weakening the ability of the collision repair industry to speak as one voice on a single issue.

Although the organizations have shown more willingness to work together recently, Anderson believes greater cooperation is needed. He wonders if there might be a national

forum created to mirror some of the democratic political institutions of the country. Collision repairers in certain geographic areas could have representatives who would work in the national forum on issues important to them. Issues could be debated, and the most crucial issues could be taken up by the entire organization.

With a single voice, the collision repair industry would have a more dynamic impact on, say, bills in various state legislatures. And as the stakes in the industry are becoming increasingly higher—take, for example, insurance company ownership of repair facilities—it's important to unify around a plan of action.

Three: Lag Time on Reinspections for Non-DRP Shops

If you're not a DRP, you tend to wait. And wait. And wait.

Why are insurers so lax about sending personnel for reinspections at these facilities? Anderson didn't say this, but I'll hazard a guess: Whether consciously or unconsciously (and I think it's the former), they've created a class system in the collision repair industry. DRP facilities are the upper class. Non-DRPs are the lower class.

Generally, insurers treat the DRP shops with respect. They are less respectful (and sometimes downright contemptuous) of other facilities.

But if these facilities are hurt by the insurers' lackadaisical approach, so are the insurers themselves. Oftentimes it's the insurers who are paying for rental cars. The more they sit on their hands, the more it costs them.

Anderson thinks insurers need to use e-mail more, especially in exchanging photographs of the damaged vehicle. Technology can eliminate the need for on-site reinspections.

Insurers should do what they do best—consider the costs—and make life easier, and less expensive, for everyone.

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