

PARTS & PEOPLE

The Monthly Newspaper to Automotive Specialists

Automotive Counseling and Publishing Co. Inc.
450 Lincoln, Suite 110 • Denver, CO 80203

Online Edition at
www.partsandpeople.com

March 2003

Tech Tales

by Mike Lee

One key to success – taking risks

Recently, I heard about a survey done on some retired Fortune 500 CEO's who had successfully started their own company. One of the survey questions was "If you had to do it over, what would be the No. 1 one thing that you would do differently?" The response was "I would take more risks."

This ties in with one of the keys of being a successful automotive shop—the ability to make decisions. Often times, I see shop owners that procrastinate on making a decision. They have gotten to the point where they are afraid to take a risk and decide to do nothing and hope that the problem will cure itself.

Of course, it rarely cures itself, and so they wait until either they have no choice or it is too late to recover, and they go out of business. It is amazing how long shop owners will continue to suffer or not do anything to fix their problems at the shop and in their lives. Which leads back to this condition of being afraid to take risks.

Which, if you think about it is very ironic, because the very act of going



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into business is very risky and it requires a person have faith or confidence in their ability to make it go right. So how do so many who took a big risk by starting the business in the first place end up in a condition of being afraid to make

decisions and take any risks?

It starts when they make a quick decision and it does not turn out right. If it involves a significant investment of money and it turns out that the situation ended up being the same or worse, it really sets them back. They start to doubt their ability to make good decisions. They lose confidence.

They make one more quick decision

If they made a quick decision and it turns out bad, they make another decision, "I'll never make a quick decision again." This starts them on the road to procrastinationville and eventually they end up in the

condition of being bummed, busted, and burnt out.

The secret of a good businessman is to make more right decisions than wrong decisions. The next thing is to learn from your mistakes. Figure out what was wrong with the decision and why it didn't work the way you hoped. But the decision not to make decisions is a bad decision.

When you have situations in your business that need to be addressed,

sitting around wondering what to do and hoping that it will cure itself, is not the solution. My advice is at least try something to improve the situation. Monitor it, and if it doesn't start to turn around go to plan B. If that

doesn't work go to plan C.

If you go to any seminar provided in the industry, you will learn something of value, even if it is that some of the things you are doing are right.

The real solution is knowledge

One of the keys to making good decisions is to have the knowledge and experience in all areas of your business.

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Currently, I see an example happening everywhere in the country. I listen to some people complain that business is off and they are not doing well since 9-11. They have checked with all their friends and they have all agreed that there is nothing that can be done. So they sit around doing nothing. Even worse, they actually start doing things that make the condition worse. Why? Because they do not have the knowledge and experience to create more business in slow times.

I talked to a shop in Florida and the owner told me that it was slow in Florida and there was nothing that could be done.

I told him that he was probably right about business being slow, but I happen to know a shop or two close to his area that are expanding and business was booming.

In fact, another shop owner called a week earlier bragging that he just hit a million dollars in sales for the year for the first time. In five years, he had gone from doing about \$350,000 to the current \$1 million.

When I told the shop owner the name of the shop that had done a million dollars in sales for the year for the first time, he said, "I know that guy."

A couple weeks later, a member of a trade association in Texas called me and indicated that they had done a

survey of some of their members and found that most of the shops that were doing better were our clients.

I watch shop owners spend lots of money on education to learn how to fix the latest cars or buying the latest tools to help them do a better job on their customer's car. Then they will turn around and ignore the education that is available to help them learn to run their businesses more effectively and help them to make good decisions and make them more successful.

I once heard a speaker say at a seminar that a good businessman makes decisions quickly and regrets them slowly. A poor businessman makes decisions slowly and regrets them quickly.

Take a risk

There is a lot of good information available to shop owners. So take a risk and go get some more education on your business. If you go to any seminar provided in the industry, you will learn something of value, even if it is that some of the things you are doing are right. If you don't get what you needed out of one seminar, don't go home and say, "Well see, I knew it was a bad decision." Go to another one. The more data you have, the better your decision-making will become and the more money you will make. But it is only money. Yours!

Mike Lee has been in the automotive industry for more than 30 years. Knowing well the problems in the industry for the shop owner, he created a highly effective auto shop management training program that teaches a shop owner how to go from struggle to success. To make the program widely available, Mike co-founded Management Success! in Glendale, California. (818) 500-9631 It has delivered seminars, training, and consulting services to more than 20,000 shops nationwide since 1993. ■