

Developing and Implementing Standard Operating Procedures - SOPs – Standard

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Presentation Overview

This presentation will cover the identification of various procedures in the collision repair shop that should be standardized due to their frequency of use and importance to the overall performance of the shop.

These are referred to as standard operating procedures or SOPs.

These seemingly simple documents, when followed, eliminate the potential for mistakes, clearly define outcomes and most importantly provide a performance roadmap to be followed by employees.

Creating and Standardizing Operational Procedures

What is Currently In Place?

What are your current operational procedures? Are they documented?

Do they exist? If so,

- Have they been communicated completely to the staff?
- Are the expectations being met?
- Are they kept in a binder or company operational manual?
- Are they easily followed?

Creating and Standardizing Operational Procedures

What Is Keeping Them from Being Developed?

It's not uncommon to have a business operating without processes or standard operating procedures/SOPs

Why? We hear:

- They're too time consuming to produce
- It's difficult to communicate the need to have, develop and implement them
- The employee communication process is too difficult

Creating and Standardizing Operational Procedures

What Can the Result of Non-conformance Be?

- Most importantly without “direction” it is difficult to gauge the overall performance of the store
- Without clear “communication” of processes and measurements, it is difficult to hold staff accountable for performance
- Consequently individuals that are responsible for work related tasks may not know what the performance expectations and or directions are
- This results in their not “understanding” why there are accountabilities and typically leads to poor performance

The Six Required Steps in Creating an Overall Workplan

1. Building Task Lists which has 2 parts, identification of steps and tasks
2. Creating comprehensive job descriptions
3. Identifying measurements and accountability metrics
4. Creating targeted training plans
5. Creating and implementing the SOPs
6. Identifying audit or review processes and procedures

1. Task Work Process Steps and Task Lists

The starting point is basic:

- Establishing what needs to get done from the most basic to the most complex steps
- Identifying the **process or procedural steps** that must be followed
- Identifying where any support documentation can be found
- Designating the individual that is responsible for their completion
- Identifying the “quality control” steps that are needed
- Identifying the timeframe for completion

Identifying Frequently Used Processes and Procedures for Developing Process Flows

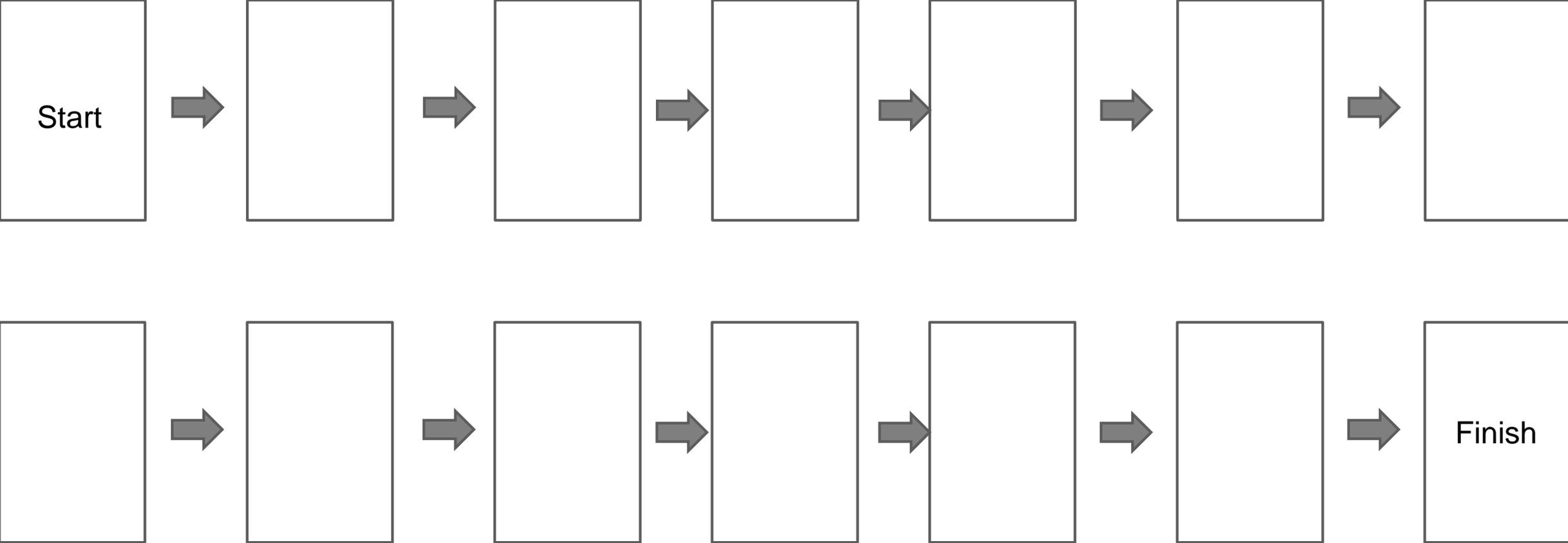
- Creating process flows
 - What is a process flow and how do they work
- Creating a “current state” flow chart
 - How are you currently operating
 - How would you like to operate
- **How is this accomplished?**

Identifying Frequently Used Processes and Procedures for Developing Process Flows

Need to review:

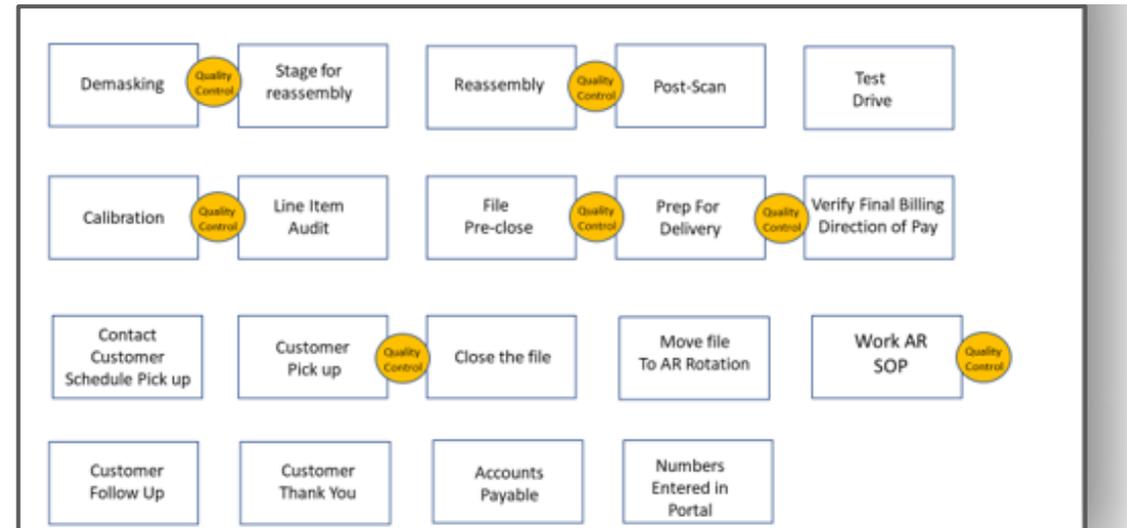
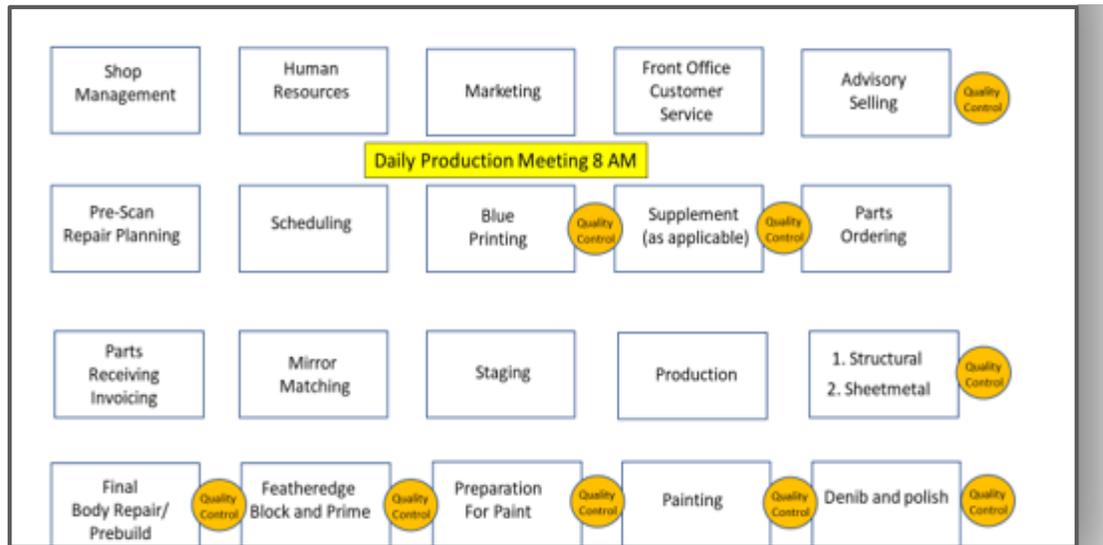
- How do processes flow through your business currently?
- Identify who will perform the process steps
- Identify a timeframe for completion
- Once the steps are identified, the task list for each step is developed
- Identify each task that will be required to complete the process step

Workflow/Process Flow Steps



Identifying Frequently Used Processes and Procedures for Developing Process Flows

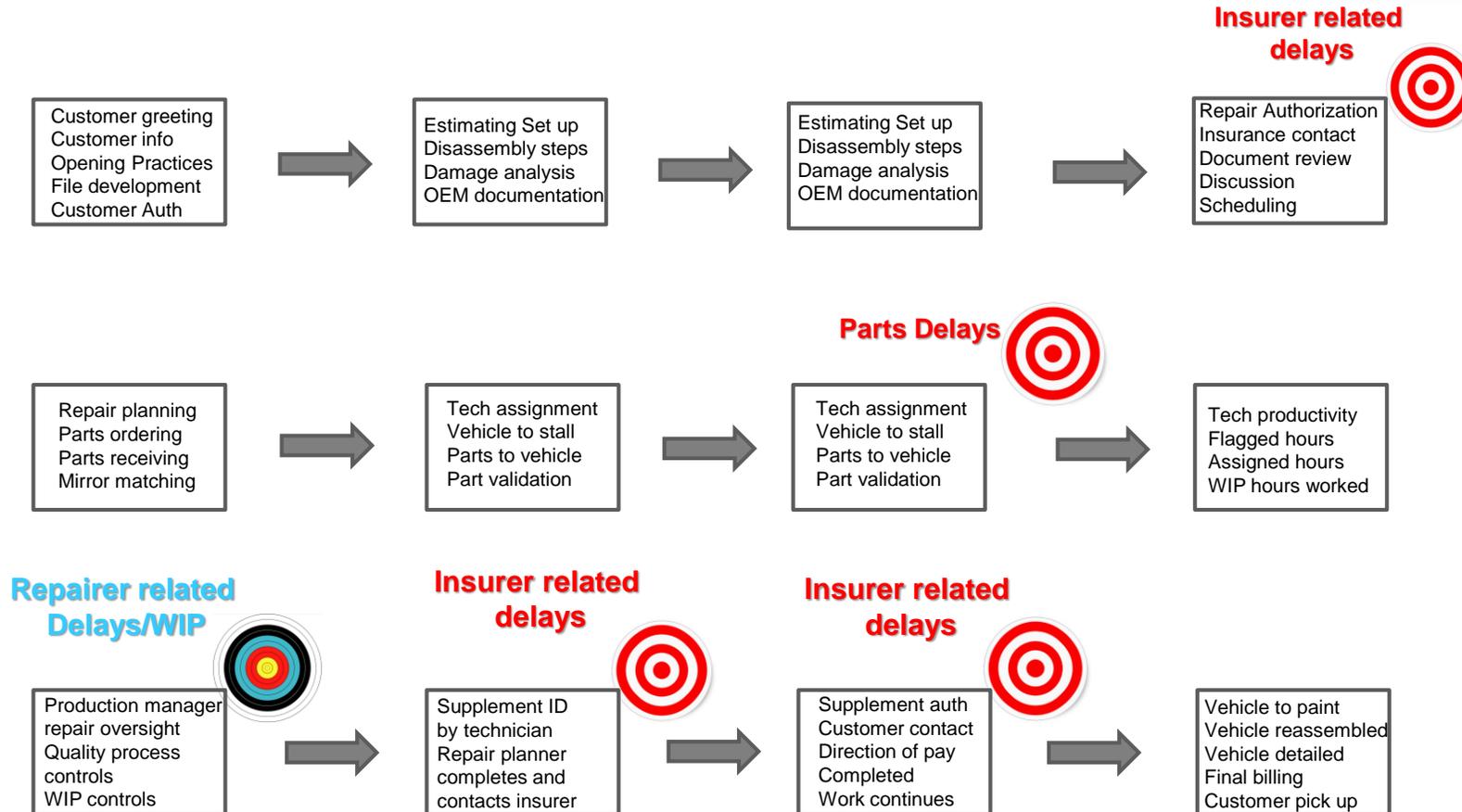
- Sample process flow:
- What processes are required for the business?
- Identify all required processes
- Once the steps are identified, the task list for each step is developed



Identifying Frequently Used Processes and Procedures for Developing Process Flows

- Identifying potential roadblocks
 - Where are your “choke points”
 - How do you eliminate them
- Creating “ideal state” flow chart
 - What would your ideal state look like?
 - How do you make it happen?

Identifying Potential Chokepoints or Delays In Repair Sequencing



Resolving Chokepoints and Adjusting the Process Flow

Working with the team to identify solutions and potential work arounds which can replace chokepoint or work stoppage areas

- Identify chokepoint
- Develop potential solutions
- Temporary implement solutions
- If solutions reduce or eliminate stoppages, insert solution into the process flow
- Measure effectiveness
- If positive, make solution permanent

Task Lists



Task detail should include:

1. Daily activities
2. Weekly activities
3. Separate areas within the grouping
4. Task description

Organizational Workflow and Tasks for Collision Repair

Shop Management Processes

Daily/Weekly/Monthly:

General

- Check outside area for appearance i.e. cigarette butts, trash, trash cans etc.
- Unlock doors and Open shop and disarm alarm system
- Complete visual inspection of the front office area
- Complete visual inspection of the restroom and customer convenience areas
- Review daily schedule and make sure that vehicles for the day are present
- Review WIP vehicles and be sure that their time has been allocated in the daily schedule
- Walk the production floor to inspect repair activity
- Observe safety areas i.e. electrical cords, trip hazards, open containers or other items which could be viewed as safety concerns
- Ensure that all employees show up for work on time and are prepared for the morning meetings
- Create agenda/list to cover for the morning meeting

Accounting

- Review active accounts receivable – ARs to validate that they are actively being worked. This should be a weekly activity at a minimum
- Review accounts payable against invoices
- Review closed files to ensure that all parts, labor operations and any sublet have been identified
- Review any sublet items that have been identified against the original repair plan
- Review daily receipts deposits from prior day
- Review closed vehicles for prior day
- Attend morning managers meeting to identify any areas of opportunity and what the daily distribution of work will be
- Attend production meeting (if no production manager available) and ensure that the work is distributed properly relative to the technicians

Inventory control

- Review material consumable reports
- Review material purchase reports
- Review inventory results monthly to ensure that overages with vendors are avoided
- Review management system reports against vendor usage reports to identify margin performance

Training plans

- Review daily staff performance and identify areas of opportunity
- Create training plans to improve staff performance
- If opportunities are identified, create a performance improvement plan and ensure that there is consistent and repeatable performance checks and a timeframe for improvement is identified
- Set up training meetings with vendors and develop an overall training calendar for the year

Maintenance

- Review all maintenance placards for equipment monthly to see which must be completed and by which date
- Plan as needed for maintenance items
- Develop monthly safety meeting training package and ensure that there is compliance to the meeting plan monthly
- Conduct safety meetings and be sure that a signature is evident for each staff member that participates in the meeting

Task Lists



- Monitoring and other responsibilities
- Monthly requirements and activities
- Obligations relative to new employee orientation

Organizational Workflow and Tasks for Collision Repair

Human Resources Tasks

Attendance: Daily

- Ensure that all employees have arrived on time
- Observe if employees are meeting the dress code as prescribed in the personnel manual
- Identify that employees have "clocked in" using the time clock keeping with the required time keeping process
- Be sure that anyone who has not met the attendance requirements has been made aware and any write ups are maintained in the company personnel file for that individual
- Be sure that when required the production manager is actively tracking the clocking in and off jobs to ensure accurate monitoring of job performance
- Be sure that employees clock out at the end of the workday

Personnel Manual: Monthly

- Be sure that any changes to the personnel manual are maintained and added pages are updated and filed
- Meet with the office and production teams and hand out any changes setting the expectation that it is their responsibility to make sure that the changes are kept with their copy of the manual
- Be sure that any state and federal placards are placed in the location designated for such so that the state and federal placement requirements are met
- Record keeping relative to any disciplinary (coaching) forms are added to the appropriate personnel files

New Employee Orientation

- Provide a written copy of the company personnel manual
- Explain in detail the attendance and time off request process
- Explain and provide time off request form and calendaring process form
- Provide a copy of tasks associated with the new employee's role
- Identify the measurements they will be required to meet
- Discuss in detail compensation including the load percentage and amount
- Provide a copy of the employee job description and go over each page.
- Have the employee sign the acknowledgement section
- Set expectations for training
- Set expectations for following company processes including appropriate standard operating procedures
- Walk the employee through both the front office and production areas to help acclimate them to the facility including the location of rest rooms and rest areas/breakroom
- Cover the smoking policy
- Cover the break policy and lunches
- Identify the need to attend ALL team meetings

2. Comprehensive Job Descriptions Page 1 - 2

This detail is then used in the job description:

1. Position description
2. List of essential duties
3. Knowledges and skills requirements
4. Training and certification
5. Working conditions
6. Physical demands
7. Reporting structure

Job Description		Job Description	
Position Title:	Collision Repair Technician	Position Title:	Collision Repair Technician
Supervisor Title:	Operations Manager	Supervisor Title:	Operations Manager
POSITION DESCRIPTION			
<p>The collision repair technician has the responsibility of determining the repair methodology to be used on collision damaged vehicles relying on their experience and the use of OEM repair information. The repair technician will work closely with the repair estimator to ensure that all damage is identified through the initial repair plan and through supplemental billing to make sure that the technician and the store are properly compensated for all repairs performed.</p>		<p>process. (Interior trim, Inner trunk, door glass, Etc.)</p> <ol style="list-style-type: none">17. Initial all line operations completed by you18. Remove and re-tape all molding as per estimate (including stripe tape and adhesive on repaired panels) prior to paint department.19. Set all paintable exterior removed parts (door handles, side moldings, mirrors, tow hook covers, reverse sensors, Etc.) in one location. Label windshield with tape or paint marker of all parts and location that need refinishing20. Note on Windshield if the following is needed: Test Drive, Check all fluids, Post Scan, Water Test for newly installed panels, corrosion protection needs applied, etc.21. Notify paint shop team leader when vehicle is taken to paint department.22. Complete quality checklist23. Clean work area.24. Punch off job.25. See production Manager or production board for your next assigned shop.	
ESSENTIAL DUTIES		KNOWLEDGE AND SKILLS	
<p>The essential duties of this position are:</p> <ol style="list-style-type: none">1. Log into job repair order number2. Install technician name on work order3. Read work order and compare to repair plan to vehicle damage4. Review OEM repair procedures, identify any inconsistencies with the repair plan5. Be sure that the parts that have been ordered have the same count as the parts identified for replacement6. Check in parts when order is received and mirror match parts7. Notify production manager of any missing parts on job immediately especially if they impede the vehicle production8. Label all parts to be edged with repair order number, technician name and transport to paint department for cut in9. Verify any need for seam sealer on new panels such i.e. doors, hoods, trunk lids, etc. If seam seal is required, make sure that the labor is added to the repair order in addition to the material quantity that is used10. Start the collision repairs11. Check for any additional damage with further teardown if needed12. Start collision repair.13. Check for any missing or unrelated items that could be used as upsells14. Inform paint department for all inner structure panels that need refinishing prior to outer sheet metal installation.15. All unrelated prior damage on panels (such as small door dings in blend panels) need to be discussed with shop manager and painter. At this point a decision will be made to repair.16. Install all removed parts that do not interfere with paint procedure		<p>The following knowledge and skills are required for this position:</p> <ul style="list-style-type: none">• Knowledgeable of vehicle construction methods and required repair procedures• Knowledgeable of vehicle construction materials and required repair procedures• Skilled in using MIG and STRSW welding equipment• Skilled in using a variety of repair materials• Skilled in using a two-post lift• Skilled in using a three-dimensional measuring system• Basic computer data-entry and operation skills	
		TRAINING AND CERTIFICATIONS	
		<p>The following are suggested education and training requirements for this position:</p> <ul style="list-style-type: none">• Valid <u>drivers</u> license• Certificate or degree in automotive collision repair• I-CAR Professional Development Program Level 1 or higher• ASE certification B3 – Non-Structural Analysis & Damage Repair• ASE certification B4 – Structural Analysis & Damage Repair	

2 b. Comprehensive Job Descriptions Page 3 - 4

This detail is then used in the job description:

- 7. Right to assign additional duties
- 8. Acknowledgement by signature

Job Description

Position Title: Collision Repair Technician
Supervisor Title: Operations Manager

- ASE certification B5 – Mechanical & Electrical Components |EPA certification in mobile air conditioning systems

WORK EXPERIENCE

Three to five years prior work experience preferred

SUPERVISORY RESPONSIBILITIES

This position has no supervisory responsibility

WORKING CONDITIONS

The working conditions for this position include:

- Work both inside
- Exposure to limited noise
- Work environment involves some exposure to hazards or physical risks, which require following basic safety precautions.
- May occasionally walk on slippery or uneven surfaces.
- May be requested to work overtime and weekends.

PHYSICAL DEMANDS

This position has the following physical demands:

- Ability to view computer monitor
- Oral communication
- Ability to continuously stand or walk for extended periods of time
- Ability to climb, bend, stoop, and squat frequently.
- Ability to use hands to finger, handle, or feel objects, tools, or controls; reach with hands and arms; talk or hear; and taste or smell.
- Must have good body mechanics and manual dexterity.
- The employee must frequently lift and/or move up to 75 pounds or more.
- Specific vision abilities required by this job include close vision, distance vision, color vision,

The physical demands described here are representative of those that must be met by the employee to successfully perform the essential functions of this job. Reasonable

Job Description

Position Title: Collision Repair Technician
Supervisor Title: Operations Manager

accommodations may be made to enable individuals with disabilities to perform these essential functions.

NOTE: (Insert Company Name Here) reserves the right to modify, interpret, or apply this job description, as it desires. This job description in no way implies that these are the only duties, including essential duties, to be performed by the employee occupying this position. This job description is not an employment contract, implied or otherwise. The employment relationship remains “at-will”. The aforementioned job requirements may be changed to fulfill any obligation(s) to reasonably accommodate qualified individuals with disabilities.

ACKNOWLEDGEMENT

I have read, understand, and accept the duties, standards, and expectations required of this position. I hereby affirm my good faith compliance with all policies and procedures. I will perform all duties to the best of my ability.

I further understand that my employment is at will and thereby understand that the company or I may terminate my employment at any time.

Employee Signature _____ Date _____

Supervisor Signature _____ Date _____

Job Description Detail

- This detail allows the store owner/manager the opportunity to take all the required tasks, methodology and performance expectations and put them in one comprehensive document
- Questions concerns and clarification should all take place during the hiring and or annual review processes
- The employee now knows what their responsibilities are by individual job description
- Once detail that will be added to this is the measurements or performance metrics

3. Comprehensive Measurements

Collision Division Performance Measurements

1. Daily and weekly call completion level of 12 per day average
2. Daily and weekly call documentation of 12 per day average
3. Attend weekly team meeting Monday unless otherwise directed
4. Maintain a 6 or better performance member performance review level
5. Provide 3 weekly ZOOM links to director for review
6. Provide updated technical information to members weekly (as needed)
7. Ability to maintain a 55 - member load or better
8. Provide 1 innovation, instructional snippet or performance idea quarterly
9. Provide performance measurement results by store to director weekly
 - a. Total sales average
 - b. Total repair order
 - c. Total billable hours
 - d. GP \$
 - e. GP %
 - f. Conversion %
 - g. Net \$
 - h. Net %
 - i. Lift \$

Daily Production Schedule

Stall to Technician Ratio 2.5 to 1

Production Stalls	_____
Number of technicians	_____
Average RO Billed Hours	_____
Average RO Dollars Per Day	_____
Daily Stall Production Requirement	_____
Daily RO Closure Requirement	_____

Technician Production Status Board					
Week of _____	Team Hourly/Weekly Goal _____				
Technician Name	Required hours	Hours Assigned	Hours Completed	WIP Hours (incomplete)	Goal Met Yes or No?
Monday					
Tuesday					
Wednesday					
Thursday					
Friday					
Technician Name					
Monday					
Tuesday					
Wednesday					
Thursday					
Friday					
Technician Name					
Monday					
Tuesday					
Wednesday					
Thursday					
Friday					
Technician Name					

Technician Performance Scorecard								
Technician Name	Grade	Eff Req	Hrs Req	Hours Assigned	Hours Completed	WIP	Clocked Hours	Weekly Total
	A painter	200%	16+					0
			Monday					0
			Tuesday					0
			Wednesday					0
			Thursday					0
			Friday					0
			Total					0
	A Painter	200%	16+					0
			Monday					0
			Tuesday					0
			Wednesday					0
			Thursday					0
			Friday					0
			Total					0
	A Metal	180%	14.4					0
			Monday					0
			Tuesday					0
			Wednesday					0
			Thursday					0
			Friday					0
			Total					0
	A Metal	180%	14.4					0
			Monday					0
			Tuesday					0
			Wednesday					0
			Thursday					0
			Friday					0
			Total					0

Performance Metrics or KPIs

- The performance metrics or key performance indicators provide the measurable targets of performance for the tasks, job descriptions and roles that the employee will be responsible to meet
- These are included in the standard operating procedures as they help the owner/manager to build a more predictive performance and financial models
- The financial stability of the business is dependent on the employees and managers meeting these targets

4. Comprehensive Training Plans

Technician Training Plan

Welding skills are essential to this position and successful completion of the ICAR Welding Qualification Professional Development Programs is mandatory.

ICAR Welding Qualification Series are as follows:

- Squeeze-Resistant Spot Welding (WCS04)
- Steel GMA (MIG)
- Welding Qualification Series (WCS03)
- Measuring (MEA01)
- Steel Unitized Structures Technologies and Repair (SPS07)
- Structural Straightening Steel (SSS01)

Additional ICAR Training Requirements

- Replacement Of Steel Unitized Structures (SPS10)
- Bolted On Part Replacement (EXT01)
- Cosmetic Straightening Steel (STS01)
- Hazardous Materials, Personal Safety, and Refinishing Safety (WKR01)
- Plastic and Composite Repair (PLA03)
- ICAR Vehicle Specific Training as determined by volume

External training and certifications

- Chief, Car-O-Liner, BlackHawk or equivalent three dimensional measuring and equipment usage certification

Pre-Hire Training Requirements

Technicians should be competent in repair procedures and must be able to complete the ICAR Pro Levels 1 and 2 Professional Development Program courses. They should be prepared to complete the following immediately after the first 90 day orientation process is completed:

- Bolted On Part Replacement (EXT01)
- Cosmetic Straightening Steel (STS01)
- Hazardous Materials, Personal Safety, and Refinishing Safety (WKR01)
- Plastic and Composite Repair (PLA03)

Training Plan Development

Training plans are developed for several reasons

- Compliance to federal, state and local codes
- Employee safety
- Improving productivity
- Product knowledge
- Tool knowledge
- Providing experience and detail that can move an employee from one level to the next relative to pay and experience

These are developed and kept with the job description so that an employee knows the training expectations

5. Standard Operating Procedures

Collision SOPs				Total Loss Handling SOP			
Part Credit Return Tracking				* Be sure that the following is posted in plain view of all who enter the area:			
				Total Loss Administrative Labor Charges			These administrative fees should be non-negotiables which means unless there is a prior agreement with the insurer or customer, these charges will be identified on every total loss we handle
				Labor Item	Labor time	Labor \$ X Rate	
1		Part is identified for return to the vendor for whatever reason	When returned	1 Initial customer contact	0.3		Total loss storage fees inside/outside Administrative fees for total loss handling (filing documentation) Digital image or photography charges Wrapping fee and labor Material used to secure vehicle fees and labor Phone calls and other commercially acceptable charges
2		Create return invoice that must be signed by the delivery driver when picked up and returned to whomever is handling parts	All return identified vendor VIN customer	2 Create vehicle folder	0.2		When total loss arrives at your facility please make sure that the following documents are completed: Work authorization form Scanning authorization form Parts ordering authorizations and return form
				3 Create signed authorization of repair	0.3		
				4 Obtain appropriate initials and signature	0.3		This information can be consolidated into one form. However, make sure that each of these specific items are either a signature or initial acknowledgement to ensure that you have express permission on each item.
				5 If vehicle is off location arrange move to facility	0.3		
				6 Identify advance fees	0.1		Be sure that the disassembly is complete so that there is a reduced risk of supplementary damage and that the initial parts order is complete
				7 Verify prepaid amount	0.1		
				8 Prepay charges for insurer	0.3		Get the parts order to the vendor location as quickly as possible to ensure that the order is expedited and parts are received quickly
				9 Assign repair order number	0.1		
				10 Print key and mirror tags	0.2		The vehicle is deemed a total loss by the insurer: Prepare the parts for return Create a summary of "repairs to date" Provide an invoice or "estimates" of current charges
				11 Initiate storage charge date and time	0.1		
				12 When vehicle arrives install hazmat tarp under vehicle / \$20.00	0.5	Add Tarp Fee	Ensure that all ARs are updated to reflect the charges that have been paid out or created since the repair authorizations were signed
				13 Install weather protection tarp / Tarp \$20.00	0.5	Add Tarp Fee	
				14 Pre-wash vehicle prior to repair plan	0.4		Update AR pending log
				15 Take vehicle pictures	0.8		
				16 Move vehicle into store for estimate	0.4		Provide a written summary of charges to be presented to the insurer or customer that give details of charges to be paid prior to the vehicle being released to the salvage company
				17 Complete meticulous disassembly	3		
				18 Complete measuring for structural condition accuracy	1		Close file
				19 Print structural measuring results	0.2		
				20 Complete diagnostic scan	1		
				21 Print diagnostic scan results	0.2		
				22 Identify all damaged parts	1		
				23 Identify all required labor	1		
				24 Identify any potential sublet labor	0.2		
				25 If vehicle is determined to be at threshold			
				26 Contact owner	0.4		
				27 Contact insurer	0.4		
				28 If identified as repairable by the insurer:			
				29 Order parts	0.4		
				30 Accept parts	0.5		
				31 Mirror match parts	0.5		
				32 Transmit pictures	0.8		
				33 If determination of total loss is reaffirmed			
				34 When possible return parts	1.5		
				35 Identify return charges	0.5		
				36 Identify labor for part handling	0.5		
				37 Identify repair planning charges	2		
				38 Identify storage charges	As identified		
				39 Identify vehicle handling charges	0.5		
				40 Move vehicle back to ground tarped location	0.5		
				41 Assist customer in boxing personal items	0.5		
				42 Complete total loss work order	0.5		
				43 Clear accounts payable and receivable	0.5		
				44 Receive and process payment for services	0.5		
				Itemized Total Processing Hours for Total Loss	23		
				Tarps for hazmat and salvage protection	\$40.00	\$40.00	
7		Close file	Close				Ensure that the account is cleared.

Standard Operating Procedures

- These are the driving documents for each process within the store
- They provide all required performance details
- They will list:
 - ✓ The procedural objective (What needs to be done)
 - ✓ All enabling objectives (How and who is required to meet the objective)
 - ✓ The order in which steps will be completed (How it must be done)
 - ✓ What the performance outcome should be (Measurables)

Review and Validation Processes

- This step can be as simple as performance checklists
- These steps must validate compliance with the SOPs
- Quality, efficiency, task mastery, training compliance, customer service and all other KPIs can be validated through the use of performance checklists
- The word “audit” seems to always have a negative connotation, think of these as potential training tools in the event performance non-compliance exists
- They would become a step in your training development processes

Building Standard Operating Procedures

Fact finding and Implementation

- Creating the performance outline
 - The ideal state should include all changes to the process that allow optimum performance
- Building “logic” into the process
 - Building Pro and Con worksheets to help in decision making
- Getting input from the staff
 - Ask the staff to assist in developing solutions
- Using the flow chart, develop the SOP worksheet
 - Building long-term repeatable processes

Building Process Execution Consistency

- Setting process compliance expectations
 - Work with staff to set performance expectations and accountabilities
- Identifying key performance metrics
 - Developing task lists - what will be done?
- Setting individual performance expectations
 - Create comprehensive job descriptions that hold staff accountable for performance - who will do it
- Creating the SOP worksheet
 - Step by step process detail

Managing the Procedures With "Discipline"

- Meeting with the staff to set office, production and quality goals
 - Communicating and setting performance expectations is critical
 - Monitoring and follow up are essential
- Identify where the goals are covered in the SOP
 - As each goal is communicated, show where the goal and performance expectation are detailed in the SOP
 - By step and by accountability

Managing the Procedures With “Discipline”

- Provide a copy of each SOP as they are completed
 - As the SOPs are developed, explain in detail what the expectations are
 - Identify compliance as the only option
 - Noncompliance will be performance managed
- Book the SOPs for future use
 - Create an organizational manual that contains all of the operating SOPs and have then segmented out by work area
 - Have staff sign a performance acknowledgement for each SOP that impacts their job accountabilities

Using the SOPs to Manage the Business

- Identifying the key performers in each area
 - SOPs will identify the key staff levels that are impacted by them
- Observe behavior to ensure performance consistency
 - Managing staff performance to the expectation becomes a task for management
- Audit the SOP to be sure that it is adjusted when needed
 - Management must verify performance and match it to SOP requirements
 - Watch for potential change needs and adjust

Using the SOPs to Manage the Business

- If temporary changes are more consistent with performance develop
 - Changes need to be temporarily inserted into the process an improvement validated before making the change permanent
 - If a permanent change is validated as making a positive impact....
- Adjust the SOP
 - Reimplement with the process update
 - Be sure to communicate any changes to the staff

The SOP

The SOP Template:

- Measurement - What will identify if the task has been presented
- Task - What will be accomplished naming the task specifically
- Performance requirement
 - the individual accountabilities that will be required to be met

Collision Repair Shop USA			
Morning Meeting			
	Measurement	Task	Performance requirement
1	Daily	Team meeting	Morning release meeting
2	Meeting time	Meeting Schedule and Times	Meeting to be conducted daily by production manager. Shop owner conducts if production manager absent. Begin morning meeting at 7:45 a.m. and mid-day meeting at 12:30 p.m. Meeting to be completed within 15 minutes.
3	Staff Attendance	Daily Staffing	Determine staffing for the day. Reassign staff, if required.
4		Scheduled Delivery	Review status of all vehicles scheduled for delivery. Identify known obstacles on all vehicles. Identify initial solutions to obstacles.
5		Vehicle Status	Record status of all vehicles. Determine if there are known obstacles on all vehicles. Identify initial solutions to each known obstacle.
6		Vehicles Arrived	Review status of each vehicle that has arrived. Assign staff to prepare estimate / repair plan. Identify any timeframes required for estimate / repair plan preparation.
7		Vehicle Pick-Up and Delivery	Identify any vehicles that need to be picked up or delivered. Assign staff as required.
8		Post-Meeting	Update management system status report on all vehicles. Solve known obstacles on all vehicles. Update vehicle owners on vehicle status.

SOP Detail

- Each SOP has an objective - **What needs to be achieved**
- Each objective must have enabling objectives, **the activities that help the objective be reached**
- There must be **measurements** at each level that identify when or if objectives are being reached
- Management must maintain an **audit or review process** to ensure compliance
- There must be acknowledgement that **“punitive” measures** will be in place if objectives aren’t reached

SOP Detail Cont'd

Each SOP must have an objective

- SOP objectives need to be clearly defined and written so that staff responsible for compliance have a clear line of sight to the goal
- Typically there will be a performance requirement combined with the task
- Tasks need to align with the same tasks or activities used to develop job descriptions
- Tasks and activities must be consistent

SOP Detail cont'd

Each SOP has a series of enabling objectives

- Simply put, enabling objectives are the activities that are used to reach the end goal of meeting the objective identified in the SOP
- These are essentially the process steps
- These must be very detailed
- When creating them, the thought process is anyone who has a basic understanding of a process can follow the SOP steps and achieve an acceptable result
- Detail is the key

SOP Detail Cont'd

Each SOP must contain measurements

- Measurements aren't necessarily a numerical indicator
- These can be "if X is achieved the task will be considered complete" The X could be a task or a number
- The measurements are established to give those completing the tasks the goal that they must achieve
- It can also be the steps necessary to achieve the desired outcome
- Management must stress the need to achieve the goals or complete the steps

SOP Detail Cont'd

Each SOP must have an audit process

- Audits aren't typically a bad thing, i.e. an IRS audit
- Audits are used to validate that specific processes, procedures or measurements have been achieved or to what degree they haven't been
- They are also used to help determine if there is the potential of alternative solutions if the measurement can't be achieved
- In some cases they are used as a compliance tool, but that is typically when there are repeated performance issues
- If the process is deemed to be adequate, follow up with the underperforming employees must be completed

SOP Detail Cont'd

Each SOP must have Punitive or corrective measures

- That may sound as if this will be a “harsh” process but that is not the intention
- The corrective measures are there to alert the employee that they are not meeting the desired goal
- In cases where the employee needs training it is identified and administered
- If there is a “will” issue, additional follow up may be required
- That is determined on an individual basis especially if other employees are working at appropriate levels

SOP Process Steps

1. Identify a process that is essential to the success of the business

- If there are specific steps that need to be followed, identify them
- Be sure to examine all process steps and the peripheral activities that may influence them
- Write them down in the order in which they need to be performed to maximize efficiency, productivity, or importance
- Then begin to look at the individuals that are performing the process steps
- Is there a key individual (optimum performer) that is performing all or most of the required steps?

SOP Process Steps

2. Document the steps the optimum performer is completing

- Do the steps they are following match up with the initial list that was created?
- If not, are there tasks that should be added or deleted?
- Observe behavior and identify if the steps are done repeatedly and consistently
- If the results are the they achieve the desired outcome, it should be your SOP model
- Review the outcome with the employee and see if they have any suggestions on how to improve their performance

SOP Process Steps

3. Fill in the blank template with the steps

- As was illustrated previously
 - Left column - measurement
 - Center column - task requirement
 - Right column - performance steps t
- Measurement - What will tell management if the task is completed efficiently
- Task requirement - Define the task to be performed
- Performance requirement - Define the steps that are to be followed

Collision Repair Shop USA			
Morning Meeting			
	Measurement	Task	Performance requirement
1	Daily	Team meeting	Morning release meeting
2	Meeting time	Meeting Schedule and Times	Meeting to be conducted daily by production manager. Shop owner conducts if production manager absent. Begin morning meeting at 7:45 a.m. and mid-day meeting at 12:30 p.m. Meeting to be completed within 15 minutes.
3	Staff Attendance	Daily Staffing	Determine staffing for the day. Reassign staff, if required.
4		Scheduled Delivery	Review status of all vehicles scheduled for delivery. Identify known obstacles on all vehicles. Identify initial solutions to obstacles.
5		Vehicle Status	Record status of all vehicles. Determine if there are known obstacles on all vehicles. Identify initial solutions to each known obstacle.
6		Vehicles Arrived	Review status of each vehicle that has arrived. Assign staff to prepare estimate / repair plan. Identify any timeframes required for estimate / repair plan preparation.
7		Vehicle Pick-Up and Delivery	Identify any vehicles that need to be picked up or delivered. Assign staff as required.
8		Post-Meeting	Update management system status report on all vehicles. Solve known obstacles on all vehicles. Update vehicle owners on vehicle status.

SOP Process Steps

4. Walk through the process

- With the optimum performer as a participant, review the entire process end to end to make sure that all steps have been properly identified
- If all steps are in place continue to observation steps which are essentially watching the staff member complete the SOP activities
- If not, be sure to update the SOP to include areas that have been missed
- Verify that all the steps when followed allow for complete task performance and repair or process quality

SOP Process Steps

5. If process is found to be complete

- Meet with the production, office or management team depending on the SOP
- Introduce the SOP
- Identify what measurements will be used for performance benchmarking
- Clearly identify the process and the process steps
- Walk through each step
- Ask questions to establish the teams understanding of the process that they will be required to follow
- If there are concerns, address them publicly

SOP Process Steps

6. Establish the SOP as a process requirement

- Instruct the team that this has been established as the new process that is to be followed
- Be sure there is alignment between the management team and the staff
- Be sure that the staff understands that they will be measured on their ability to meet the performance standard
- Identify the process as version1 in the event there is ever a challenge to the process. Subsequent versions should be labeled as well in sequential order

SOP Implementation

Centralizing a location for the OPS manual containing the SOPs

- The operations manual will become an integral part of the collision repair store for several reasons
- It is the repository for all the operational documents that meet the needs of agencies that may at some point need to understand the inner workings of the store
- Task lists, job description, performance measurements, training plans, SOPs and audit checklists are all contained within this manual as well as other operational documents
- This will be covered in detail during a future webinar

SOP Implementation

Once the SOPs have been “booked” it will be important to have a meeting with the staff. That meeting should cover:

- Any changes in performance expectations related to new or improved standard operating procedures
- Discuss how each staff member will be impacted by the improved documentation
- How the measurements will impact them and the timeframe for implementation

SOP Implementation

Allow the staff to have input

- Don't allow the staff to take over the meeting but allow them to provide any constructive feedback they might have
- This is important in that it allows them to feel like they are part of the process
- Typically the staff will respond significantly better to SOPs that are presented in this way and will support the effort

SOP Implementation

Implementation timeframe

- Working with the optimum performer, monitor the performance of others that are new to the process to test the it's effectiveness
- This is typically a 15 day (3 work weeks) but some use as many as 21 workdays to test process effectiveness
- Once the initial timeframe has been completed meet with the staff again for a brief discussion about how the process is going, again to let them have input

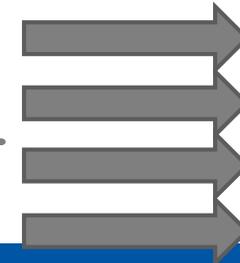
Any Month						
Sun	Mon	Tue	Wed	Thu	Fri	Sat
					1	2
3	4	5	6		8	9
10	11	12	13		15	16
17	18	19	20		22	23
24	25	26	27		29	30

SOP Implementation

Implementation becomes the SOP

- If the implementation process has been effective, the transition to using the procedure is relatively simple
- It is now the operating procedure and any questions about the SOP should be directed to the operations manual
- That's right, the process is now free from having to spend time clarifying what is required
- The requirements have been established

Identify Implementation
Goals by Week



Any Month							calendar.com
Sun	Mon	Tue	Wed	Thu	Fri	Sat	
					1	2	
3	4	5	6	7	8	9	
10	11	12	13	14	15	16	
17	18	19	20	21	22	23	
24	25	26	27	28	29	30	

Change in Culture

Changing the culture helps to reduce hands on management

- This results in a culture change to managing by the numbers
- This allows management to focus on growing the business and puts an end to or at least reducing the need to continually put out fires
- It forces the employee to take control of their work life because they now have instructions which they can access anytime there are questions about what must be done or the process necessary to complete it

Closing Statement

- Organizing the store and changing to an SOP driven work environment will help management reduce conversations around what must be done. This will allow management to focus on business growth and opportunity.

Thank you!

The Collision Team at ATI

