

Parramatta Smash Repairs

succession planning at its best

JOE MCFADRIES VISITED PARRAMATTA SMASH REPAIRS LATE LAST YEAR AND WAS SO IMPRESSED BY WHAT HE SAW, HE ARRANGED TO GO BACK AND MEET CEC, STEVE AND RYAN SIMPSON TO DISCUSS THEIR JOURNEY FROM A SMALL START-UP IN A RENTED PROPERTY TO A PREMIUM COLLISION REPAIRER.

Cec Simpson – Founder

Parramatta Smash Repairs founder, Cec Simpson, began his panel beating apprenticeship at Ashfield Motors in the late fifties at a time when, by necessity, budding young tradesmen learned a bit of everything. Whilst this was invaluable experience, Cec knew he wanted to run his own show and by 1966 he was ready. He rented a property in Junction Road, Parramatta and founded Parramatta Smash Repairs.

It was a tough time, as young Cec did the lot – panel-beating, spray-painting, managing claims and maintaining a steady pipeline of work. It was full-on seven days-a-week and, in those early years, Cec’s wife, Irene, ran the office functions of the business. In time, things improved and Cec began to recruit staff to cope with the workflow.

Whilst the business was running well Cec had greater ambition, and in 1971 acquired Hodges Auto Repairs in Betts Street (also in Parramatta) – he was astute enough to also acquire the half-acre property as well as the business. This bold step allowed Cec to move out of his rented property and, although he was still very much hands-on, this was the beginning of a portfolio of panel shops. Two other businesses were added to the group: North Rocks Smash Repairs (including Carlingford Towing) and Winston Hills Smash Repairs, which he built on a



Cec Simpson



Steve Simpson



Ryan Simpson

new site at Seven Hills. Cec continued to run all three shops, although by now he had appointed managers on each site and had stepped back to manage the direction of the business.

In 1994, the old cheese factory and Lyons ice cream site on Church Street came up for sale and Cec saw yet another opportunity. He submitted an offer that was initially rejected, although Cec’s patience paid off and a deal was eventually done. He stripped the building and set it up for collision repair, closed the other sites and consolidated Parramatta Smash Repairs into the new facility – and they have been there ever since.

This was also the beginning of their relationship with premium brands as they established a reputation for excellence and built

relationships with local dealer principals. “Although BMW was first to come on board, followed by Lexus and then Mercedes-Benz, it has been the partnership with Mercedes-Benz that really made the business. However, this did not come easy, as they have clearly-defined criteria that must be met to maintain the approved repairer status,” said Cec.

As Cec reflected on his journey, I asked if he would do it all again. “Absolutely – although there are things that we would do a bit differently. You know what they say: ‘if I knew then what I know now’. Fundamentally though, if you keep the good people, you keep a good business. A number of apprentices from our early years have been with us for decades and are now setting



The current site on Church Street.

the standard for others to follow.”

On the future: “We bought the property next door and we are currently finalising the plans to renovate and add more space.”

Steve Simpson – Director

Cec’s son Steve joined the family business straight from school to become a mechanic and spent his early years at the Winston Hills premises where he learned a great deal about the industry in an estimating role – amongst many other things. Over the years, there have been ups and downs in the relationship with work providers, but in the end the focus is on the long-term relationships. “There’s no value in arguing every point on every car – we prefer to build steady relationships.” Steve also recognises that organisations such as IAG have experience repairing cars and know how to cost the steps in the process. “It’s good to work with an experienced partner, although we will be watching the influence that Mark Milliner will have, particularly with his experience at Suncorp,” he added.

The business has grown to a level where it is repairing an average of 300 cars per month, most of which are prestige vehicles. There are 70 staff and every one of them understands their role in maintaining the reputation of the business and the Simpson family impresses this mantra on all employees. “We set the expectations and allow a degree of latitude – within reason. This engenders a degree of ownership in



The Church Street site in 1994.

every job.” Steve reinforces Cec’s view on people management as he highlights that there are several former apprentices managing departments and they, in turn, set the benchmark for the next generation. With Steve in the driver’s seat, the business has taken the focus on people to a new level as he looks to identify each individual’s strengths and focuses on getting the best from them. “Long gone are the days when you simply said: ‘well he didn’t work out – who’s next?’ Our focus is very much on getting to know our staff, finding out what they like and aligning their skillset with the needs of the business to achieve the best outcome for all. For example, new apprentices tend to enjoy a degree of flexibility and so we try to accommodate this as best we can.”

At Parramatta Smash, the focus is on enriching the experience as part of a winning team. There is never any thought to giving young kids repetitive, menial tasks, and

apprentices are never recruited simply as a source of low-cost labour. However, Steve acknowledges that the things that keep him awake at night are “people issues”. “Sometimes, it can be frustrating when staff have difficulty following standard processes, but in the main we don’t stress too much about the day-to-day things. All people are different and managing these differences is the key.” Steve also recognises that, because every collision (and therefore every repair) is different, it will always be a people-business and so people-management will continue to be a key factor in their success.

We touched on one of the hot topics in the industry today, that of access to repair information. The longevity and strength of the relationships between Parramatta Smash Repairs and the car manufacturers means that information is always on hand, either on-line or through their dealer network. However,

as Mark from I-CAR discussed last month, it's not just the information but what you do with it and how you do it. "We ensure we have the right tools and equipment, the depth of knowledge, the right skills and training. We see 'more than our fair share' rectification work from other shops. This work comes to us because we take pride in getting things done right - first time, every time. This is our choice, our reputation, our brand."

Looking ahead, Steve's 10-year vision is to become bigger and better: "Although we are growth-focussed, we recognise the challenge of recruiting and retaining the right calibre of technician, and this is one of Ryan's key challenges," Steve concludes.

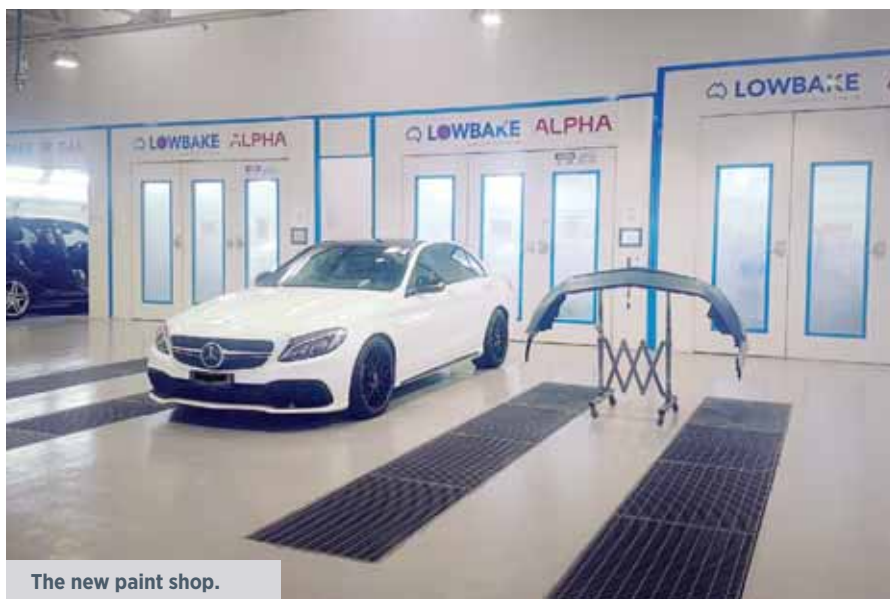
Ryan Simpson - Operations Manager

After completing Year 12 and having little interest in going to university, Ryan, Steve's son, joined the family business when he was 19. Although there was no pressure to do a trade, Ryan acknowledges that had he done a trade, it would have been beneficial when it comes to managing the shop. However, what the business really needed at the time was a "business-head" and, with his interest in computer systems, Ryan became adept at data entry, quoting, accounts, payroll, banking - all the functions that allowed him to be a back-up for the Admin Manager. This also provided an opportunity to build a knowledge of every aspect of the business and look for ways to do things even better.

However, in his early years Ryan became "distracted" by motorsport, to which he was introduced by one of their mechanics. He began with Formula Vee in 2004 and discovered he had real talent, winning both the NSW and Australian titles in 2005 and 2006. He stepped up to Formula Ford and won the NSW title in 2008. Ryan then got behind the wheel of a V8 Supercar in 2013 and won the Sydney 500 in 2014. The following year, Ryan won the Porsche GT3 Cup Challenge and last year was on the podium at the Bathurst 6 Hour. However, he has decided to refocus on the business and, as Steve says: "Had Ryan stayed with racing, Parramatta Smash Repairs would most



The new workshop.



The new paint shop.

likely be quite different today as we all tended to be involved with the racing."

Ryan has shown a deep interest in how Cec built the business and recognises the importance of having time to think and plan, although as Operations Manager he spends a great deal of time trouble-shooting internally or maintaining relationships with dealers, customers and work providers. Critical to the business is, of course, maintaining the work pipeline and adjusting plans accordingly. For example, he spent two months developing the environmental plan required by IAG.

One of the more unexpected projects resulted from a fire in the adjoining business in January last year. Ryan was tasked with rectifying the damage whilst keeping the business fully operational. The decision was made to fully rebuild the paint shop. "We called in Lowbake, who worked with us in a staged project over a six-month period, and at various times we were down to two booths (normally we run all three). We had Lowbake install their latest systems, including Gas IR, RADS and back-to-base monitoring. Mark (Williams), Gene (Gerasimchuk) and Rob (Green) were all fantastic -

5 Minutes with ...



David Gambin
Kangan Institute Automotive Centre of Excellence

When did you join the industry? 1981

What was your first job in the industry?
Sheetmetal Worker

What do you do now?
TAFE Teacher

What do you like about the industry?
Bending and Shaping Steels

What don't you like about the industry?
Many of the older skills are no longer required

What music do you like?
Rock, Heavy Metal, '80's

Your Favourite Artist?
Dire Straits

Your favourite food?
Homemade food

Your favourite drink?
Fanta, Jim Beam

Your hobbies?
Anything related to motorsport

Who in the world would you most like to meet?
Allan Moffat

the result is exactly what we needed," said Ryan. "At the same time, we also worked with PPG to ensure a seamless transition using the new drying technology. They have been with us a long time, not just as a paint supplier, but as business partner. Cliff (Reed) and Darryl (Browne) were instrumental in the transition as we managed a real culture change, and although we lost a couple of technicians, the business is better for it," he added.

Ryan is heavily focused on the staff "attraction and retention challenge". Of the 70 staff, there are 50 in operations, 20 of whom are apprentices. Building a talent pool is a big focus. Selection is a critical factor in increasing the retention rate. The process involves selection interviews, short-term work experience in the workshop and an assessment of the skills, drive and cultural fit, and is designed to maximise the chance of getting the right fit. "It's got to be what the candidate wants to do."

When asked about the current shortage of technicians, the response was refreshing in that Ryan recognises that they needed to look at the working environment they are offering. They maintain a high-quality workshop and promote this to schools through school-leaver expos, such as the one (Future Leader) Henry Prom attended late last year. "We are now beginning to see apprentices wanting to come to us, but the TAFE system does not help, as logistically it's difficult to get to the TAFE colleges." With 20 apprentices in the business,

they are employing a significant proportion of the apprentices in NSW. "Although we prefer to 'build' our own tradespeople rather than hire those trained elsewhere, we are a sponsor of the 457 visa system, and are currently looking at a couple of technicians. Long term, it's not the best solution, but it is a good way to add trained staff for a relatively short term, as the visa is for four years."

Ryan is very much focussed on where Parramatta Smash Repairs will be in the future and shares Steve's concerns about staff availability. In addition, he cites pressure on work supply due to the growth in advanced driver assistance systems, although with the growing sophistication they are well positioned with their more specialised talent pool. "We also cannot ignore the effect of ongoing consolidation, although we are still confident about the future of well-run independent businesses. We will monitor the changes and maintain our relationships with our business partners."

We leave Cec with the last word, although he is not involved so much in running the business these days. "It's great to see the business moving forward with Steve and I am very happy that Ryan is now coming through. There are very few third-generation businesses in our industry - we really have built a true succession plan."

Editor: In an industry undergoing rapid change, it's refreshing to see a successful third generation business adapting to these changes and planning for an even more successful future.