



Survival of the “Fixest”



WE CAUGHT UP WITH FIX AUTO’S STUART FAID AND HIS FRANCHISEES TO DISCUSS THE IMPACT OF THE CORONAVIRUS PANDEMIC ON THE NETWORK NOW THAT THERE ARE SIGNS THAT THE INDUSTRY IS BEGINNING ITS LONG ROAD TO RECOVERY.

We began with a brief overview of how Fix Auto Australia has managed the impact of the coronavirus crisis. Stuart Faid, Vice President Asia and Head of Business for Australia, opened with a comment about the wider business. “As a global organisation, the impact of COVID-19 has been variable across our businesses. Some markets have had to contend with a total shutdown of operations, others were impacted by significant reductions in work, and some were only moderately impacted by comparison. Our focus was to ensure we provided the support and guidance our franchisees needed in every market to mitigate the short term financial and operational impacts whilst developing the protocols, procedures and framework for the medium and longer-term working environment, essentially helping them be ready for the ‘new normal’.”

We then discussed the tagline, “Better Together”, and how it reflects

the essence of the Fix Auto network. Faid was quick to point out that it was the organisation’s belief that in addition to being a catchy tagline, it really does embody everything they represent as a business. “We talk about being the best of both worlds for our customers. We have passionate, invested, service-oriented owners of local businesses that are backed up with the support, governance and infrastructure of the world’s largest collision repair network. This makes our model about as interdependent as it can get. Without the engagement of our franchise partners we cannot deliver on our value proposition to customers and in turn, we make those shops the best they can be, providing all the support they need. We are both ‘Better Together’.”

In support of this premise, Faid turns to several specific initiatives directly related to managing the

COVID-19 situation that they deployed to support the network both locally and globally. Firstly, they ensured that all their franchisees had immediate access to the facts that would impact on their daily lives, which saved them countless hours searching through information that was not always useful and often misleading.

“Once we had clarity on how restrictions would result in changes to process and procedures for our franchisees, we were able to assimilate these changes into a support package of materials and content to enable them to implement those changes quickly and with certainty. Our shops had immediate access, via the ‘Fix Hub’, to everything they needed to make their business safe and compliant for staff and customers. This was located in one place and available at the touch of a button.”

In addition, there were two conference calls per week with the



Fix Auto Clayton.



Fix Auto Mulgrave.

entire network where everyone was able to speak openly about their specific challenges and share both problems and solutions in a collaborative way with the rest of the network. The organisation provided advice and direction on areas such as cash flow management, HR, marketing, communications and operations. The objective was simple: to come together as one and make sure they all made it through together, intact and united.

Initiatives such as these are, of course, only as good as how they are received by the franchisees. “The feedback has been very positive. The division of labour during this time was a huge benefit. Our shops are fortunate that they are all family-owned and can make quick decisions at an operational level that help them navigate through challenging times. They have loyal staff, manageable overheads and an approach that drives a can-do attitude throughout their whole business. This makes them agile and resilient. We, on the other hand, have the scale and resources to focus on the bigger picture issues such as legislation and guidelines, marketing, communications, process changes, procedural impact.”

Faid added that the franchisees did what they do best and kept their businesses match-fit, while the organisation did its bit and made sure they had everything they needed to keep working, uninterrupted or distracted by admin issues.

“That initiative alone has received high praise from our shops, although undoubtedly the most positive feedback that came from the franchisees was about the sense of belonging that was felt by everyone during this time, especially during our conference calls. They valued the opportunity to be going through this experience with someone by their side, not just the Fix Auto Australia management team but their peers in the network. If there was ever a time to feel like you are all in it together, this was it. It has solidified

relationships across the network in a way we could never have imagined, and we have emerged stronger and more united because of it.”

The discussion inevitably turned to the question of maintaining workflows as the amount of work “dried up”. Faid makes a solid case for being part of the “Fix Auto Family”. “As insurance work dropped off due to claims reducing, our shops were in the fortunate position of being able to take a pragmatic approach to managing their businesses. We empowered the shops to make the right decisions for them in terms of opening hours, staffing levels and managing workflows. These businesses are longstanding family-owned operations that have a unique ability to adapt during difficult times and our shops demonstrated that perfectly during the worst of the crisis.”

Consequently, as other businesses have closed or reduced their capacity, work across the Fix Auto network remained fairly consistent and, in some cases, actually increased in volume. Faid suggests that this was because they were still able to serve the local need for smash repair services. “As we emerge from the worst of the restrictions, our franchisees now find they have established a solid base, re-engineered processes to drive greater efficiencies and are now absorbing the additional capacity that is starting to come back.”

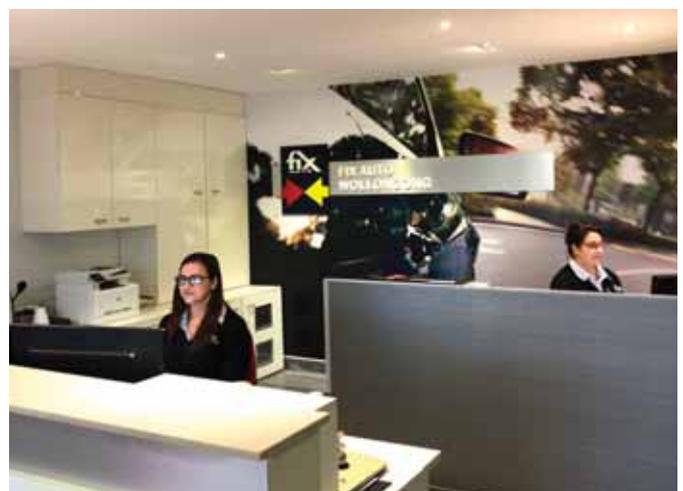
However, the pandemic has impacted the growth rate of the



Stuart Faid.



Fix Auto Sunshine.



Fix Auto Wollongong.



network, which Faid saw as an inevitability. “The safety and welfare of our staff and customers, franchisees and prospects are our main priority. Lockdown prevented non-essential travel and as a business we mandated that non-essential face-to-face meetings would also not be allowed. That said, we do have several new franchisees in process and we hope to be able to get some of those shops operational under the Fix Auto banner within the year as restrictions ease.”

Interestingly, they have had several enquiries in recent weeks from shop owners who are emerging from the pandemic, recognising that going through that alone was extremely difficult in terms of both their well-being and their businesses, suggesting they would not want to do it again. “Ultimately, we remain focused on ‘who’ and not ‘how many’ so, pandemic aside, we will continue growing our footprint with the right people, in the right place, and all in good time.”

As an embryonic network, there is always room for movement, especially when times become challenging. However, Faid said he was incredibly proud of the tenacity of the network and their commitment to their businesses, staff and communities. “We have worked hard collectively to ensure that we did whatever was needed to survive this pandemic and I am delighted that everyone made it through just fine. Moreover, we have had shops take the opportunity to have a good hard look

at themselves and make changes and improvements to how they are set up to optimise their performance going forward. We emerge from this incredibly tough time better than ever, ‘Better Together’.”

Reaching out to the franchisees around the country certainly reinforced the organisation’s perspective. Here are just a sample of the comments we received.

Jason Whittaker in Lake Macquarie said: “Fix Auto’s support was paramount to how we managed and continue to manage ourselves in these uncertain times. Their encouragement and support were excellent, as they were always there, even if it to ‘just have a chat’.”

Lana Pagiamtzis in Melbourne added: “Being part of the network was very reassuring throughout this time and having access to all the background information required to deal with this pandemic enabled us to focus on supporting our customers and our business.”

At Wangara in WA, Andy Allen stated: “We found the weekly conference calls particularly helpful, sharing our experience with other shops and learning from their experiences. Being part of the network during the pandemic has been a great help and I have no doubt that, had we been still operating as an independent business the whole situation would have been a lot more stressful.”

Rodney Tannous at Wollongong added: “From day-one Fix Auto helped us put in place procedures to

help safeguard our employees and our customers and greatly assisted in analysing and dissecting the available government support initiatives.”

So, as we emerge from lockdown, we asked Faid if he sees signs that the outlook for the industry is improving and find he is somewhat circumspect. “The industry has a great deal of work to do in order to demonstrate that it is improving. We are dealing with challenges from all sides. Downward pressure on repairers over the cost of repairs is just one component. There is increasing investment required in technology and resources to be able to repair cars adequately alongside a national skills shortage and lack of talent wanting to join the trade.”

He suggests that these factors, coupled with growing legislative complexity and administrative burden for business owners, create a very demanding environment for the independent repair sector. “Going it alone is becoming untenable for most and the devastating consequence of that is the heart and soul of our industry is disappearing. People may accuse me of being nostalgic, but Australia was built on the back of hard-working entrepreneurs and our industry once represented a best in class example of that. Our mission at Fix Auto is simple and clear: protect the entrepreneurial spirit that drives all that is great about our industry and support it with the corporate governance, systems and infrastructure it needs to thrive in these increasingly challenging times.”



The team at Fix Auto Wangara.