Build Consistency with a Blueprint Appraiser

Inconsistency among appraisers in a shop is commonly found during my appraisal reviews. This is mostly in direct repair program focused shops, but it is visible in other shops, as well. It is quite normal for an appraiser to have a specific focus, especially one that has had detailed processes engrained in them through insurer performance reports. However, it isn't beneficial to the needs of the vehicle being repaired. Because of this focus required repair operations are often missed and either not performed or identified late in the repair process.

A solution to this is to use an appraiser independent of the front office whose focus is ensuring vehicle repair processes are followed. The appraiser would be positioned in the blueprinting area and documenting the repair during the disassembly process. Equipped with access to OEM repair procedures, repair process websites and tools like the <u>SCRS Blueprint Optimization Tool</u>, the blueprint appraiser can ensure repairs are documented accurately and bring consistency to a shop's repair process.

As repairs are written in a more exact and consistent manner shops will see an increase in body & paint hours per RO, touch time improvements and a higher overall average RO. I can hear some owners saying that they don't need any increase in their severity as well as worries about how they would pay for this "extra" person, but let's take a look and see how this process benefits the repair facility.

Using the SCRS Guide to Complete Repair Planning as a resource and reviewing a fender repair I identified some common missed operations: R&I fender liner, R&I mud flap, R&I rocker cover, feather edge, sand and block, restore cavity wax and R&I wheel, totaling around 2.4 additional repair hours. On the refinish side, I generally find refinish edge and clear coat on edge missed which averages around .6. Using \$36.00 as a body labor rate the missed operations are worth \$86.40 and the .6 in refinish calculates to \$39.60, including materials, which brings the total of missed operations to \$126.00. That is just by reviewing the SCRS guide, so you can imagine what you would find after reviewing the OEM repair procedures and other repair process guides.

For those concerned about an increase in severity at first glance, only 3.0 repair hours and \$126.00 was added to the damage appraisal. Not an amount that would bring any severity review concerns. Some additional calculations will help satisfy the concern about the cost of the "extra" person. I base shop efficiencies on five repairs a day. The \$126.00 we found would bring a shop another \$630.00 per day, \$3,150.00 per week and \$163,800 in sales per year when multiplied by those five repairs a day. Reviewing average salaries for appraisers I believe you will be dollars ahead by hiring a blueprint appraiser, especially considering the additional operations that would be found reviewing OEM repair procedures.

I have shown improvement in body & paint hours per RO and increases in average overall RO so let's turn the discussion to touch time. The items I mentioned as missed operations are frequently being performed out of habit by technicians and painters without being on the damage appraisal nor being paid. Using the fender repair above with a total repair hour calculation of 12.0 hours and touch time of 3.5 hours per day, you would have the repair completed in 3.5 days. Since the

technicians are probably already doing the tasks, recalculating your touch time with the addition of the 3.0 additional hours creating a 15.0 repair and using the same 3.5 repair days, you now have 4.3 hours per day touch time. I believe the increase in touch time would outweigh any concerns about the severity increase.

Identifying all the needed repairs upfront is another benefit of a blueprint appraiser. Most of the concerns I detect when looking into cycle time issues are, repairing a vehicle using an initial estimate, misidentified operations and additional parts orders. The consistency a blueprint appraiser provides will eliminate the work stoppages associated with the items I uncover during cycle time audits. This brings the discussion to OEM repair procedures.

It is often lamented that front office appraisers do not have time to review OEM repair procedures. Having a blueprint appraiser working away from the interruptions and demands of the front office provides them with the opportunity to research the proper repair procedures. Identifying these procedures at the front of the repair brings consistency to the repair process by providing the technician the information needed to complete the repair.

Understanding that you can enhance the information provided on damage appraisals, develop consistency, improve touch time, gain proper reimbursement for repair tasks performed, and validate that you are repairing the vehicle the way the OEM intended all point to the tremendous value a blueprint appraiser provides a collision center. The next step is finding the right person.

Many times, you find that person is already working at your facility. Other times you need to hire a person that fits the needs of this position. The person should understand vehicle composition, how to research and to document repairs properly using the estimating database, parts code table lines and line notes justifying the repair requirement. I have seen shops use a dealership service advisor, a good appraiser that doesn't mesh well with customers, or a technician that has decided they want a change. All are working with great success as they have been outfitted with the tools required to research and document quickly and efficiently.

Will this work in your shop? That is for you to decide, I hope I have given you enough information and value to make a decision that will support your business. Repairing vehicles is not getting any easier and I believe anything that helps you improve the process is worth trying.