

Breaking past the five staff barrier Podcast Transcript

Hi, this is Rhys Jones. Welcome to my podcast. Today I want to talk about how you can break past the barrier of having four or five staff.

This is a natural barrier that a start-up recruitment business will get to because once you get to sort of four or five staff, it's difficult to manage the business by feel. It's also difficult to be the biggest biller in the room as well. So, it's at that stage that you need to change the way that you work and this can be particularly difficult. I confess that when I was growing my businesses, part of the problem I had was that I'd always been the biggest biller and I was used to being the biggest biller; I always wanted to be the best at whatever I do. I don't always achieve it but I'll always give 100% and as a recruitment consultant I was always the best.

Focus on growing the business

However, once you get to four or five staff you can't continue to be obsessed with being the best because that will hold the business back. It will hold you back as a business leader; it will also hold your staff back, so it's something you've got to learn to live with and you should be more focused on the growth of the business rather than your own billings. And this is difficult because it is an adrenaline rush and it's an addiction and this is one of the things I look for with the people that I back in business. It's the people that want to be the best. It's important to want to be the biggest biller, it's important to be the person that's really the best businessperson you could be, so it is important. But making that transition once you get to four or five staff to moving away from being the biggest biller isn't necessarily easy for everybody.

Part of that is down to the natural ego those recruiters have. It's also the way you've been trained, so if that's the way you've been throughout your recruitment career it is going to be difficult to move away from that, but there has to be a certain amount of penny dropping or epiphany or whatever, that if you're really going to grow the business you've got to start working on the business rather than necessarily in it. What I mean by that is rather than going from a hot candidate to hot vacancy to maybe running the team and getting them motivated during the day, to looking at the longer-term growth aspects of the business.

Work on the business

These could be marketing, brand building and some of the repeatable stuff that you'll need like making sure the database is high quality, looking at growth strategies for the following year and looking at what investments you're going to make as a business owner. These things will take you away from billing and if you are a good recruiter, you will chase deals, you'll chase good candidates. Speed kills deals, so trying to take yourself away from the desk is actually a very difficult thing to do and you've got to learn to do it. Now I'm not saying that it has to be a lot of time that you spend away from the business working on it, just some of the time. It could be even only half a day a month, it could even be a couple of hours if it's quality time.

That's where you stand back and look at the business, decide what's the next part of your strategic plan and then actually act on it, because with any ideas of the business, they're only as good as the action. So you might have the greatest natural entrepreneurial skills on the earth but if you don't actually do anything about it, if you don't put some of these marketing strategies in place or some of these reward activities that you can have for the consultants in place, some of the coaching or training you say you're going to do with the guys and the girls, then it's not going to work.

Find someone to be accountable to

You've got to actually put these things in place and this is where it's helpful to have a peer to work with you. Whether it's your own business partner or preferably somebody outside the business; whether it's a mentor or a coach who's going to push you to take yourself out of the business and look at what you can do next to improve it, but also, it's somebody that you got to then coordinate with again. I don't like to say answer to, but coordinate with again who's going to say, 'okay have you done that action'. It's to give you the discipline to do the action and that's why I've written a few blogs on why every business needs a business coach or non-exec because it is difficult as a recruiter when you're in there firefighting, you're dealing with the business, to actually take yourself away and work on things that won't necessarily bring you money today. Because the recruiters are addicted to making money, that's how we're built, but there's certain things that won't make money today.

Things like the brand building won't make money today, paying a lot of attention to building a world-class database, making sure your recruiters use the database, it could be any other part of building your business, any other aspects of the operational side of the business that doesn't make you money now but it's got to be in place now for when you build the business further down the line. Because if you're trying to retrofit some of these things, it's a nightmare. And also, some of the stuff is a bit like the building a snowman with a snowball. At first you just push this tiny little snowball, and it feels like you're getting nowhere, but then as time goes by it gets to a certain size it becomes easy and that's the sort of things with brand building for example. Because once you get your brand to the point where you are the go-to company within your industry, and people respect you and know you as being the recruitment company of choice within your sector, life becomes so much easier. Candidates go and look on your vacancies, clients ring you, it makes it a lot easier when your recruitment consultants are making introductory calls.

Brand building will make the environment within your business a lot easier to make money. One of the keys to making a successful business is making it an environment where your staff can make money easier than they can in another business because they won't want to leave, people want to join you and clearly you may make more money. But that takes time and that's not the sort of thing you can do if you're smashing the phone, is trying to be the biggest biller in the room.

Don't be the hero manager

The other aspect that maybe you have to get your head around is moving away from being the hero manager. What I mean by the hero manager is whenever your recruiter has a challenge or a problem, be it a fee negotiation or closing a candidate, now you want to swoop in and do it for them and then close the deal, get the good negotiation, close the candidate and save the day and that feels fantastic

and you brought that deal in. You brought the business in for the company, you get the sort of hero worship you want a better description from the recruitment consultant and everything feels great, but you can't keep doing that because there isn't enough time to do that. And apart from that, is that recruiter going to get any better if you're always doing it? It's the old saying that give a man a fish and he's full for the day teach your man to fish and then he'll never go hungry again.

Upskill your staff

You've got to upskill your staff and also, you've got to accept that quite often they won't be able to do it as good as you and the reason for that is you are good, otherwise you wouldn't own the business, you wouldn't be a super biller. So, you just have to accept that they're not all going to be as good as you. Yes, obviously you want to invest time in developing them and coaching them, but just accept that some won't be as good. And also, you've got to accept that sometimes they're going to make mistakes and that's not the biggest problem in the world, because pain is a much better teacher than pleasure, which is unfortunate but it's true. If you think of the times where something's really hurt, where you've dropped the ball within the recruit process and you've lost a deal to another recruitment company and that's really hurt, you won't do it again. It's a bit like a child burning the hand on a kettle or something. You know they're not going to touch it again because they remember it. But if, as a parent you tell them not to touch a kettle, they might not remember it as much. It's just the way humans are built.

So, you've got to allow people to make mistakes and then use that as an exercise. If you see or hear or observe one of your staff make a mistake, try and discipline yourself to take the time out to sit down with them and ask them how they could have done it better. Because if you can engender in people the attitude of, when you do have a setback, you look at it, take ownership that it's not somebody else's fault, it's yours, and what can you learn from it. Colin McGregor said you either win or you learn, and that's the sort of thing that I adopted as a business leader myself. If something didn't go right and something went wrong in the business, I always looked at me rather than anybody else and thought, 'what could I have done better'.

As an example of that, if I had a member of staff I'd recruited and that person didn't work out, I wouldn't look at them and think it's because they didn't get on the phone enough or they didn't have the skills or the motivation wasn't right. Because if it's any of those, it's still my fault because I hired that person, I interviewed that person so I should have been able to tell if they had the necessary substance to turn into a successful person. If the skills weren't there, should I have spotted that they weren't the sort of person who could pick up the skills. Did I do enough training or coaching? If the attitude wasn't right, was it the environment that wasn't good enough. Again, could I have spotted this at the interview stage?

Take responsibility

It's not a case of beating yourself up but if you try and learn from every setback and every outcome that you feel could have been better, that's how you continually improve because that comes back to being the best you can be. So as a recruitment consultant you want to be the best you could be but as a business leader you want to be the best you can be. Because of that attitude, that's why I'm still learning 20 years on. This isn't all about me, how great I am; I'm just trying to explain how you've got to

use that attitude as a business leader to be the best you can be and move away from just being a brilliant recruitment consultant. Because once you become a brilliant recruitment consultant it feels great but you've got to push yourself outside your comfort zone to be brilliant at other parts of the business.

You don't necessarily have to be brilliant at everything in the business because you could hire people to do those things, but you still need to push yourself out and constantly try and learn because if you're not getting better, you're going to go backwards. Also, it keeps the motivation going because the vast majority of staff and business leaders, one of the biggest motivators is personal development. It's very underrated, people assume it's money but personal development is a big, big thing. So, if you can almost teach yourself the attitude of, 'I've always wanted to be the best I could be' and learning from your experiences, you'll constantly get better. I mean I haven't got a coach anymore; I haven't got a mentor but I'm still learning every week because I'm looking at how we can make more money for the partners. I'm looking at some of the businesses where the growth isn't quite as much as we'd forecasted, what could we do better. If I look at Davidson Gray for example, what could we do better within some of the processes that we have. It's always about being the best you can be. That is what's going to make you a successful business leader.

A mentor can help you break through plateaus

Going back to you holding your business back, you've got to understand that there will be plateaus in the business; it could be when you have five staff but then maybe once you get to you say 10 staff and you've got to start hiring middle managers, once you get to 15-20 staff, as the business grows and evolves there will be learning situations, you'll have to change your methodology, you'll have to change your working day, you have to change what you concentrate on. Going back to what I said earlier, this is why it's helpful to have a mentor and a coach because if you're trying to make those transitions yourself, it's going to be so much harder. I can speak from experience because I grew my business up to a good size and there were times when I get to a plateau where I couldn't quite work out how to get to the next level.

Something was holding us back, we kept sort of bouncing on a glass ceiling. Eventually I broke through it and towards the end of owning the business, part of that was down to the fact that I did employ a non-exec director to help coach and mentor and as much as anything help me to think for the solutions myself in a good way a coach does. I had the answers but sometimes I was just going too fast. Again, it's natural with a recruiter - speed kills deals - but also, if you're a natural enthusiast, which I am, you do go faster because the adrenaline is going. So, you're not necessarily going to be able to slow down to look at the issue and then think about it strategically rather than necessarily just working harder.

Anyway, I hope this podcast has helped. If you are looking to grow your business, I do definitely recommend that you get a mentor or a coach. As you know from either listening to my podcast or what I do for Davidson Gray, I am the mentor and coach to the people that I help set up a business, and I'm also a working director so I work on the business with them. Some of the tasks I take on myself, like marketing and finances etc. But if you are looking to grow yourself as a business leader, the biggest tip I can give you is to try and stand back and look at how you can do things better on an ongoing basis and see if you can seek out other people to test their opinions. They don't have to be from the recruitment

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industry, they could be from different industries. But you can always learn something from everybody. So, you just stay humble and be the best you can be.

Anyway, hope you've enjoyed this. If you want to speak to me at any point about growing your own business, if you're a recruitment consultant listening to this and you want to start up your own business, contact me on LinkedIn and we can arrange a call.

