THE DAVIDSON GRAY PODCAST

RHYS REFLECTS ON HIS CAREER

Andrew Leong (bestselling author of The Rich Recruiter) asks Rhys about his professional life Transcript

Hi I'm Andrew Leong, and welcome to #ambitious. In this guest episode I talked to Rhys Jones. Rhys is a business investor who invests in recruitment start-ups through his company Davidson Gray. He is currently invested in five start-up agencies and he has over 20 years' experience in the recruitment industry. Before becoming an investor Rhys ran his own successful recruitment agencies, but before we begin, I must apologize in advance. The interview was done remotely and as Rhys was talking, sometimes for short periods I was typing notes on my laptop to ask further questions and the microphone picked up the keystrokes. I definitely won't be doing that again going forward. However, this doesn't take away the value of the lessons in this podcast, so I hope you enjoy it.

Andrew: I have actually been thinking about this all week and I've been really looking forward to this because I really enjoyed the conversation last week so obviously, I can't wait to relive it, just for the benefit of the listeners. Should we start with about yourself and Davidson Gray.

Rhys: Absolutely, I think if we are talking about Davidson Gray, I suppose we could maybe look back at the recruitment career I had. I worked for my first proper recruitment for a period I think of about five years where I was pretty much always the biggest biller. Progressed with the business to co-run it alongside my business partner as he was, of the business that I then sold. And we felt we were never going to get what we deserved, as most recruiters feel when you get to that point where you're offered directorships, it turns out when you get offered it, it's actually not really worth anything. So at that point we decided to set up our own business.

We've kind of been working hand in hand together running our own business for that period of time, maybe two or three years, so it was a good grounding for us. Then we went on to set up Elliot Marsh, that went fantastic for five years. Got to the point where it's plateauing a profit and I think it was about £400,000 a year profit. So it's clearly a very good business but we plateaued, and we got a little bit sort of stuck really over how to take it to the next level. So we both went to Cranfield Business School and did a study there or a small businesses study, where we learn all the different facets of running a business.

I went into there with a certain chip on my shoulder because I didn't come from an academic background. I left school pretty much at 15. So I went there with a little bit of reservation, if you like, about what academia could teach me because I was a self-made man, as it were and I came out completely transformed and realizing that being an entrepreneur, yes there's sort of a natural ability but a lot of it you can learn. And the smartest people go to people that know more than them and it changed me completely it also helps that I came out of it top of my class which I think I cleared another chip on my shoulder that just because I didn't have a degree it didn't mean it wasn't as bright as everybody else.

So it really really transformed me. I was that in love with it and did that well I was invited back to sit on the panel for future courses to judge the other people and their business plans, which you do at the end of the course. So anyway, fast forward but the business grew, we developed another business and that carried on for about five years and then it got to the point where I think we both wanted different things and that's when we started looking into selling the business. We did go through the whole process, met lots of people, fast forward again and what I needed to understand what I was going to do next after leaving the business.

Because a successful exit of the business, didn't need to work again but I definitely needed to do something to keep me occupied and to exercise the grey matter and something I learned at Cranford University. We went through a course there to understand what you actually work for; what are you doing it for. Is it just money and what came out of it for me and what was the result of this which was very refreshing was that I got turned on by building a legacy developing people. And I thought I was all about fast cars and money etc etc, but it wasn't. It was about building a legacy so when I left the businesses that I sold out of, it was the case okay 'what do we do now'.

I could do anything I want, I could open a surf shop, I could open a pub, whatever I wanted to do. But I love recruitment. I love developing people and the most exciting part of my business career was the start-up phase. I'd also developed how to coach and do business strategies through Cranfield, so I've been playing with Davidson Gray for about a year or so before I left anyway and that seemed to be absolutely perfect for me. So that's what I do now. But I set some ground rules when I set up the business. I don't want to do what I did last time, just scale the business and turn it into a job I didn't want.

I wanted the business to be something I wanted to enjoy. And so the ground rules are I only work with people that I like, and we all know there's an awful lot of idiots in recruitment. So I only work but I people that I actually enjoy working with. I also now am quite disciplined about that I only work four days a week. And I find time to train at lunch time to do my Tracon training. So, I'm seeing this as some people say a lifestyle business, but it's not; it's now allowing me to really put all my passion into my job and not fall out love with it, which is easy to do, and I did do when you're working all the hours God sends.

So, when I'm with the recruiters now that I set up, they've got 100% passion, 100% focus and I can honestly say I don't think I've ever been professionally happier. Because the success the businesses are having now is so much quicker and faster and exciting than when I did it because I'm working with these guys and these girls to get them to deliver their hopes and dreams faster and with less stress because they've got somebody who's there to make sure they don't make the same mistakes and just basically fast forward things. So, at the moment I think I've got the best job in the world with the exclusion of playing obviously football or anything that's realistic, you know I've got the best job in the world.

Andrew: It sounds perfect, and you've got the ideal set up there and that's a real strategy to you what we're all striving to achieve really isn't it. That to have our passion but also to be able to have, as you say it's not a lifestyle business, but to be able to fit it around a lifestyle that you want, so you're kind of completely covered. So, you know, your work and your life and your spirituality.

Rhys: Well, I think it's something I know anyway but and it’s an obvious, but you clearly do a much better job when you're happier and when you love what you do. Although I did a very good job with the businesses when I ran them, there was a point in time when I sort of created a job within those businesses that I'd done and I kind of wanted to move on, because I'm not necessarily that interested in managing people. I love strategy, I love coaching, I love looking at the next big thing that's coming along and what I don't like doing is doing the man management side of it; it's just not my thing.

So, what I'm doing now is absolutely ideal. But I've also had that time out to step back and say okay well you I've got as much money as I want now, what's it all about? And it's about giving something back and it's about creating wealth for other people, because I get a massive amount of self-satisfaction from doing that because I absolutely adore what I'm doing. But I'm not to the point of doing too much that sometimes you can create a situation where you've got more work than you really want and then that enjoyment just tend to… it takes the shine of it a little bit.

Andrew: Perfect, perfect. I've got a million questions that've kind of popped out of there, but I just want to go you back, you said something about being the biggest biller so that's a little bit early on in your story. So, I just wanted to ask you a question with that because it sprung up. What made you the biggest biller in your in your company? What was it that you did differently from everyone else?

Rhys: It's a good question because when you're trying to create the biggest biller in your organization, one of the things that it took me a while I wanted to cotton on to is it doesn't mean making another you. Because there isn't always another you and I'm sure certain seasoned recruiters will have seen lots of very good billers that all bill well for different reasons. And if I look back at why I was successful I think initially, tenacity you know, I hit the phones a lot, I was incredibly organized, but I think towards the latter end it was because of the basically the service I gave the customers.

I always over delivered, under promised. I was uber reliable, so I was going to do something I did it; if I couldn't do it, I'll tell them before I couldn't do it. And I was particularly good at asking those additional questions that recruiters tend to forget once they become successful. Like who do you know or who else do you know? When you're talking to people that you know who else within your business is recruiting. Just the little questions that when you become successful, you stop asking. But I think really it was down to being not obsessed, but it was a massive drive for me it was giving quality all the time and I'd got that from earlier in my career before I got into recruitment. I used to work at the Halifax Building Society and with them the customer was always King and that sort of was bred into me that that the customer is the most important person.

So, when I was a recruiter, the customer which was both the client and the candidate, were always the most important thing as long as I was uber reliable then you know, people would always come back to me. And I think that's probably a large part of it because towards the end of my time as an employed recruiter, then it carried on obviously now self-employed, is I never really didn't need business; I didn't need to do new business because everybody came to me.

Andrew: Which is the perfect scenario; that's a perfect marketing really isn't it, when you've got more inbound than you can do outbound and everyone's coming to you, and you're known as the industry leader basically.

Rhys: Well, it's for me it sells, you know. It's great. It's great being the best salesperson in the world at opening doors but service sells and if you become the solution for problems for your client, then you're the go-to person and they're never going to let another recruiter in because you provide all the solutions to the problems and that's where I grew from starting off in sales recruitment to eventually I was doing board level and I got involved with some of the strategic reorganization of some of my clients. I even introduced one of my clients to – one of my clients was then a candidate and they bought a division of Siemens together and I brokered that; and that's the level I got to by being a solution provider.

Andrew: Do you think some agencies because I myself are from a recruitment background. Do you think agencies, or some management practices maybe even hinder that service side of the recruitment? I actually myself, I don't know what your opinion is, but people are taking shortcuts to get a quick sale rather than think long term. Have you experienced any of that? Do you have an opinion on that at all?

Rhys: Yeah I do, and if I'm honest it’s quite a strong opinion. It's just because I've always been driven by quality and what I can't stand is what I call as a hit run recruiters. You know, it's because with the business, one of the businesses that I had, because of the branding that we've done, the marketing, we did used to get an awful lot of incoming inquiries. And I had this particular recruiter who was always billing a lot, but I found out quite quickly was burning clients. So, he’d get a client, he closed the deal, get the retainer, maybe place it.

Then get the next one, not be able to fill it and then just leave them hanging, and that's like we'll come back again. And I can't stand hit-and-run recruiters and I think there is a certain amount of, because of the modern technology people work very very fast, that sometimes people do shortcut things. And also in some organizations that KPI the staff the wrong way, it all comes down to numbers and it's not a long-term vision and I do come across a lot of frustrated recruiters who want to set their own companies who will give examples where they got a client that they know needs nurturing before it's going to turn into any real money, but they've got a manager that's cracking their head about doing more new business getting somebody else on board and tell them to give it up. So, you as a recruiter, yes, you've got to think what am I going to bill this month but if you're really gonna get anywhere you've got to think long term because certainly you can burn clients and if you're in this industry that's going to cause you an issue.

But if you want to be successful in it gets to that point where you're really making the good money, it's giving quality service because your clients will come back to you and then you spend all your time filling jobs. You're not looking for jobs because you fill them all the time and if you get to that point then that's when if you want to have somebody working for you be it a resourcer or a recruiter, then you can make more money because you've got you can then start to scale your desk. What I mean by scale your desk; you're doing the tasks only you can do but the tasks that maybe aren't quite so difficult, maybe looking on LinkedIn or approaching new candidates or follow-up CV's that's been sent in, you can let somebody else do.

So as a profit centre if you like, that's when you start to make more money. One of the reasons why I'm passionate about recruiters building their own businesses; in effect your desk is a business, it's a mini business. You come in every day, and you make commercial decisions. Do I work for this candidate, do I work on this client, do I look for something new. You're constantly making commercial decisions, so you are in effect running your business yourself and any business is driven by commerciality, sales and making commercial decisions. The bits that surround it, the accounts, the marketing - you can subcontract people to help you with, and that's in effect what I do with the people I partner with. They kind of subcontract me in a way to look after the parts that really hold up the recruitment side of it, subsidize it and eventually turn it from being a hot desk into a business that's self-sufficient because of the branding that surround it.

Andrew: When people approach you or when you approach people, what's the process for you, you know. Finding a person you want to invest in, what you're looking for or who fits your kind of perfect profile.

Rhys: It's an interesting question. I should know the answer, but I don't. Because a certain amount of unconscious competence, there's a certain amount I can tell, which is a bit naff I know. Personality-wise you could tell quite quickly if you're likely to get on. I've got to be interested in their vision. If they just want to be a lifestyle recruiter, that's not for me because I don't get excited about that. Because I need to feel as I'm having value in growing that business. If it's just a case of just taking my core profit, whatever, I'm not interested. So that comes on to the other part that's important. I've got to believe they believe in me. Not from a vanity point of view at all. It is if they don't see value in me, they're not going to get the value.

I won't get job satisfaction and that leads to further down the line of certain amount of resentment. The fact that I'm getting my cut for not doing an awful lot. So they've got to believe in that. But it also goes hand-in-hand; if they if they believe in me and want to in effect hire somebody smarter than them, they’re forward thinking. And I meet an awful lot of recruiters that think they just need a back office or some sort of support. Okay well they could probably set up a business and make profit, but they're not necessarily going to grow a really successful business if they haven't got the ability and the vision to understand that if you can hire someone who's got more experience than you to help you, you will get there faster but the smartest person in the room is them because they've hired me.

Because any successful businessperson hires people smarter than themselves and when I say smart, I'm not more intelligent, I've just got more experience. I prefer to work with recruiters that's smarter than me, but they just don't know it yet. And then I can upskill them to have the experience I've got, but they should be able to get that experience a damn sight quicker because I’ll coach and mentor them experience rather than how I learned, which is trial and error. Because unfortunately, pain is a far better teacher than pleasure and I got it wrong a lot. But what it did do is I always look back to see how I can do this better.

And even if it weren’t the case of, I got it wrong I'd always look back and say, ‘how can I do this better’. So if a member of my staff didn't work out, I wouldn't look at them; the first person I would look at was me. You know, was my selection wrong, was the training wrong, was the environment wrong. You know, what could I have done to make that person successful because at the end of the day I hired them and that was my choice. So if they weren't successful, I have a certain amount of the blame regardless of how they turned out. I mean fair enough nobody's got perfect interview techniques and certainly when it comes to recruiters that understand how people get interviewed, they're very good sometimes at kind of mean to you, you know.

The recruiters are resourceful people, but I think that's an important thing that I like to see the people that I'm working with is that maturity for want of a better description to want to get somebody involved in the business and not be the all-encompassing ego that's going to run the business. At the end of the day they have the vast majority of the shares. They call the final shots; you know they're in charge and I'm there to make them wealthy. But it's having that ability I think to realize that it's getting somebody else on board to help them is a good idea. So I've got to like them, I've got to agree with the vision.

What are important to me is core values, honesty and integrity. So that's important and then there's things like the sector. I'm not particularly interested in white collar and more professional services. I prefer niche markets rather than necessarily generalists. So there's a certain amount of that involved. The style of the way that people recruit - that can influence me to a degree but it's primarily down to is the person forward thinking, are they driven by quality, do I like them and do they believe in me. I'm not saying they necessarily need to like me, but do they think that I'm going to add value and we're going to build a successful business together and have fun doing it.

Andrew: When you're working with your partners effectively, I mean I'm guessing it could be different for each individual business, but what does that look like from an operational point of view. You provide the operations and the technology support, allowing them to get on with the recruitment but how hands on are you. Does it depend on how much that person leans on you or do you, what does that look like?

Rhys: It really depends on the person. Some people want to be upskilled so they can do everything and some people like me to carry on looking after the bits I'm particularly good at and have no interest in. I'm certainly not there to elbow my way in somebody's business. I'm quite happy to sit at the monthly board meetings to discuss with them what they want to achieve next, help them achieve it by either doing it myself or helping them come up with the plan to do it and keep myself in the background. Or as an example with Taylor Higson, and I'm in there most weeks. That could be coaching and mentoring some of the staff or coaching and mentoring Jonathan.

There are certain parts of the business that he knows I'm good at and he likes me to look after, for example marketing and finance and he's an incredibly good biller. He's amazing at attracting staff and he runs a great office environment. We've fallen into this very nice partnership where he does what he's good and what he enjoys, and I do the other stuff which I happen to enjoy as well. So that's great and we're very successful because of that. But there's other businesses that don't necessarily want quite as much involvement as that. So it is a case that it's down to the business owner how much involvement I have but it does come back to the fact they've got to get some value from me.

Be it, you know, helping with the marketing, looking at cash flow forecasts, which sounds very fancy but it's just a simple case of making sure you know how much money you'll have next month and the month after and not getting caught out with your VAT. Simple things like that. But it varies. I mean, an example of sort of more hands-on things I do is Jonathan finds great value in me doing a second or third interview for people that want to join his business. One because he rakes my opinion but also, he finds that it helps in the courting process because good recruiters have got to be courted because they're in high demand.

For them to see that it's not only Jonathan with his passionate youthful enthusiasm; there's an older guy with grey hair and a seat in the background, that's the same pair of hands, but also has the experience to deliver on the vision that Jonathan's got. So rather than Jonathan saying this is where the business is going and sounding very enthusiastic and likeable about it, they can meet the older grey guy in the corner if you like, with the CV who can put some more believability, for a better description on what is actually going to be delivered and it is actually going to get delivered the way Jonathan says. And that helps a lot in converting the interested candidates into people that accept jobs, because the biggest barrier to growth for any recruitment company is hiring good staff. That's one thing I found when I was growing my business is hiring having good staff. And if you're going to go for experienced recruiters, it's so competitive to get good recruiters. I mean there's obviously an awful lot of rec to recs out there you can make direct approaches.

We've all seen recruiters that can go from job to job to job to job and still get paid a bomb, because recruitment business owners are far too quick at hiring anybody that they can potentially make them some money. So when you've got somebody out there who is good it's very very difficult to secure them, so getting me involved in the process, where I can help is in securing those really key recruitment staff that any self-sufficient recruiter now that runs a hot desk that can transfer that desk, they're going to have a queue of employers waiting to offer them jobs.

And how do you differentiate yourself and me getting involved with the process with Jonathan, he says, and I think it is too, is a big differentiator because they meet Jonathan with all his charisma and his passion, and then I've got the experience of growing businesses, so it makes what Jonathan is saying believable by meeting me. Because I am there to help him deliver on it because I've done it before. And that I think, has given Jonathan a big step up in hiring these additional staff and his ratio of meeting people to them join the business is incredibly high. I think we work so well together, but that won't be the case with every company because some companies might just simply want to hire staff and not get me involved because that's how they run their business. At the end of the day it is their business, so as much as I can mentor and coach, ultimately you have to make their own decisions otherwise there's no point.

Andrew: You mentioned differentiation there and I think it's quite difficult for, this is just my opinion, for recruitment businesses to differentiate themselves from other recruitment businesses because pretty much everyone follows the same process. So in your experience do you agree or disagree with that statement and if you have got any advice what would you think a recruitment business can do to be different in 2018 or going forward.

Rhys: I think there's probably two avenues to that question. How it could be different in delivery, so how the client experience and how they can be different in attracting business. And the two are fairly different to be fair. As far as delivery, there's new technology so they can add value to the process, there's ensuring that there good training going on within the companies, there's an emphasis on integrity and this is more the soft side. Then there's the how do you attract more business that's different to everybody else, and that's where you can get involved with the digital marketing, the PR, organizing events, that sort of thing.

So there's a lot on both sides you can do as a differentiator and I think to answer both those questions properly, it's not what I could do in one podcast, they'd both be completely one podcast if not series added together. But as far as a differentiator goes, I know obviously I'm speaking to a marketing person, I do feel that the vast majority of recruitment companies don't know how to market themselves. It's maybe some of the bigger businesses, your Michael Pages of this world, you know, who are stock market listed therefore they've got a bank of excellent marketing people that know what to do. But certainly SME businesses and some large independents, they still rely very much on the recruiters doing the marketing rather than actually marketing the business themselves because the marketing, yes it starts at the coal face, but the employer and business owner really has a responsibility for the business as a whole to have an overlooking view on brand building and marketing and the vast majority of recruitment businesses don't because the people that own recruitment businesses are recruitment consultants.

They're not marketeers. So they look at it as a recruiter and that's where I like to think I can add a lot of value to the businesses that I work with because the marketing for the start-up businesses - I market the business of brand building, for the business that they want it to be in five years' time, not the business now. So the amount of business that they're getting coming through that brand building and additional marketing, even from the outset is very very high. Because one of the mantras I have with the businesses I help grow is you want to make an easy place to make money. So you can have average recruiters making good money and good recruiters making a lot of money but also, it's done in such a way that isn't necessarily just reliant on the people, that if somebody walks out the door, it's not necessarily going to take the money with it.

The brand is within the business and an awful lot of the reason they're successful is incoming inquiries from clients and incoming enquiries from candidates. And it's not an easy thing to do; it is complicated and it's a different profession. You know better than I do; it is a different profession and I think it's very exciting but it's difficult when you are a trained, bred recruiter to see that when you know how you were successful which were smashing the phones. So I think I think it's growing your business that's a differentiator, but I also think on the delivery side is ensuring that there is that credible repeatability, so you don't have the hit-and-run recruiters in your business that are damaging the brand. It can be I had a hit-and-run recruiter in my business, and he's one of the biggest billers, but I let him go because I could see that he was damaging the greater good and sometimes you've got to have the strength of character, when you're growing a business, when somebody isn't good for the business as a whole, then you have to let that person go.

Andrew: Completely agree with that. Yeah completely agree. So that really leads me on to my next question then. So do you think, we both know recruitment is very entrepreneurial, but do you think all big billers could have the ability to run their own recruitment business or is it, you know, unique to a select few.

Rhys: Yeah, could all big billers become successful business owners and grow their own business? The answer to that is no. A lot of it is down to the personality traits of a recruiter to be able to run a business. You've got to be able to do other things other than just smash the phones. And that's keep an eye on everything else. Now fair enough, if you partner with me, I keep the eye and everything else for you, but it comes back to some of the other personality traits which is employing people or invest in yourself; not being quite so focused on your own desk. I mean being a super biller, more often than not, you're blinkered. Now, not everybody but you've got to be fairly selfish to be a big biller and that doesn't necessarily go hand-in-hand and growing a business.

And also some people can't handle the emotional side of being ultimately responsible for what they do. Because it is very nice to go into a business where everything's done for you as far as the database the accountancy, who pays the bills etc and all you've got to do is bill and that's why I don't encourage people to set up their own companies. What I do, is I coach people and talk to them when they come to me and say I want to grow a business. I say ‘why do you want to do it’ and I help them to have a proper think whether it is for them because setting up a recruitment company and failing, that's something I can never be involved with, is somebody who has to make sure that they are 100% emotionally right to run their own recruitment business. I think from a skills point of view, virtually all good recruiters have the skills, but I think it's being able to put it all together in the package because running your own business is a very different job.

If you have a business partnership experience like me, okay that makes it a bit different, but it is a different job and certainly if you're set up on your own, you're trying to learn to do a new job and there's nobody there to show you how to do it when the pressure's on, because it's down to you to make the money otherwise you don't pay your mortgage. So it is quite a step if you go into it gung-ho, and this is where I come across some of the idiot recruiters. Because they’re massively successful and because successful recruiters now are treated very well because they can walk out the door, they do have a certain amount of immortal persona where they feel that they can't fail. And they'll go out and they cut corners and I think everything's going to be easy and then they fall foul when the VAT bills come or something like that.

But I think with the right support most can, but I think it just come down to a little bit more to their beliefs, what they really want. Are they prepared to change; and this is where there's a certain amount of subconscious and unconscious competence that I've got when I'm talking to people to sort of see the ones that I think will be able to do it and the ones that won't. Because it's not necessarily what they say, it's what they believe. And it’s trying to get under the skin of trying to find out really how it would be in an environment where ultimately, they are in charge.

Andrew: Yeah, I'm really interested. So we're talking a lot about the recruitment businesses that you invest in, and I'm really interested to know when you started Davidson Gray, so I can imagine you getting inundated with offers now, especially knowing you as a person and your experience. I mean it's a no-brainer if you wanted a partner or investor, but when you first started Davidson Gray, how did you get your first partner. How did that come about?

Rhys: Well funny enough, it was Jonathan Taylor and that was an easy one, because I tried to hire him a couple of times for the business and I always wanted to work with him, because I knew he could be successful, and I liked him. So pretty much the first phone call I made was to Jonathan. I said I've set up this new business and I'm looking to back recruiters; can have a chat with you. And I signed him up, so that one was easy. After that it was a very very slow start because I didn't want to do direct sales to try and tempt people to set up on their own because I wanted people to come to me because they were ready to set up their own business.

So a lot of it was marketing and marketing as you'll know, takes time and I always experimented with marketing so it was a bit slow and to be fair for the first couple of years I was taking Davidson Gray quite lightly because I needed to think and have a little bit of a break because I'd work so hard on my recruitment career. I didn't really want to go straight into working 100%, so I took it a bit softly. But no the brand building and the marketing did take quite a long time to get to where it is now where, you're quite right, I do get an awful lot of approaches. I'm very fortunate in that respect but at first, yeah, it was it was slow going. I'm not ignorant to the fact that some business owners see what Davidson Gray do or some of the companies that set up recruiters and think I'll have a go with that because I'm running my own business.

And they do it as an aside to what they do. And it's nowhere near as easy as you think because it's attracting the right people and giving them the time to help them grow, because if you're just going to do back-office people will fail. You've got to mentor and a coach that will work alongside them and help them to be successful and that takes time and that takes focus. And if you're running your own recruitment company, I think it's a difficult thing to do which is one of the reasons why I sold out when I did because I started to play with Davidson Gray and I kind of wanted to do it and I couldn't do it whilst running a recruitment business. And that's why I'm passionate there that anybody that wants to do what I do, you've got to do 100%. If you're going to do it alongside something else, then I don't think you're really doing the people justice that you're backing.

Andrew: Yeah completely. I can imagine, I can imagine, because you're involved with that many different start-ups, I mean doing one is hard enough, but when you've got several! So how do you manage that, if you don't mind me asking, how do you put on so many different hats and how does it work.

Rhys: I'm going to cap it. I mean I've currently got five, well five, one going live in September the 1st. And I think another two and I suspect then that that will be my limit for my own personal time. At that point if I can find somebody who has the same vision as me to work alongside me fine, but they will work with the partners I've already signed up because they've signed up with me, they've not signed up with anybody else. But I've got to make sure I manage my time correctly, that I have the most outstanding PA that works with me. I'm looking to hire somebody September to help me again with more business support and more marketing, so I have the time to work on each business's strategy with them because each business strategy is a little different, because they're different markets and its different people.

Because the strategy is dictated by the market and the way that they want to grow the business, so it's got to be bespoke to each person. So that takes time, but also, I'm trying to look at the next innovation for all the businesses, whether it's on delivery, technology, marketing, whatever it might be. And that takes time and it's the thinking time that's hard to find because - I'm going to write a blog hopefully next month on how to build your business or double the value of business one day a month - and that's to grab the attention, but basically it's if you spend one day working on your business rather than in it, that's when you get the results. But trying to find time to work on your business, that thinking time is so difficult because recruitment's so fast.

There's always something going on and that's where I've must be incredibly careful that I don't start being busy busy busy again; that I have the time to sit back and to look at new innovation, to look at new technologies, to listen more to what the business owner's saying and not saying and how we can evolve their business and coaching them slowly rather than quickly. Because it's too easy to show somebody how to do something but really coaching somebody is getting them to think for themselves so it is their answers and also, they know how to do it next time rather than you are giving all the answers.

And that takes time and you've got to make that quality time so if I'm honest, it's something that I always have to be conscious of because time management for any recruitment or business owner is something that could always slip and you end up doing the things you enjoy rather than things that you should do. You don't give enough time for some of the things that take time; other things it's time management is never an easy thing and I do have to focus to make sure that I have enough wiggle room that I've always got that thinking time to work with the businesses. So if they've got a new challenge or they've got a new opportunity and I've got time to think about it and give it some serious thought and look at how we can work on it to then go back to the business partner and have another discussion about what we can do about it.

Andrew: So with your business partners then, with starting a new business, do they find it difficult to stay at big picture level? Do they go reverting back to hitting the phones or is everyone different? How do they deal with it?

Rhys: Everybody is different but it's, I won't say easily solved, but if you have really good quality board meetings and board meetings sounds a little bit high falutin. Call it business planning meetings. But if you have a good quality meeting once a month where you review where you are and from that comes actions and those actions admitted to everybody knows what they are and these are decided by the directors not by me, what these actions are. I'm not giving them things to do; they decide what's good for the business. And then you're held mutually accountable to make sure they get done for the next month. You're making steps forward.

During those meetings I will bring up the sort of the medium- and long-term strategies that are boiled down to short-term strategies if you like. So I do help coach and mentor in that one day a month that I talk about to work on a bigger picture. And when I say one day a month, to be fair the board meetings quite often only last a couple of hours because we get, I put so much prep in before we have the meetings that we're really efficient when we get there. I mean I found that people are naturally either short-sighted or long-sighted you get some people that always, look I mean it's like recruiters, sometimes they're always looking at the big accounts and the big placements and they don't bother the small ones and they get caught out because they're always looking long term and they haven't got enough money coming through the door. You get short-term people who won't account build; that's natural. So to help people to do both naturally people are predominantly one, but with the board meetings it helps people do the three which is the short, the medium and the long.

Andrew: In your position you're talking to so many different people I can imagine and in recruitment and the different businesses that you've got, they'll be speaking to so many different people. Business creates business - are you just staying in recruitment or are other offers coming your way; any other opportunities which are outside of recruitment?

Rhys: I do get them; I mean I have done work outside of recruitment. I was non-exec for a point-of-sale company. I got the experience of working with business outside recruitment when I did my work at Cranfield University after I graduated and I do get offered external work from time to time but I love recruitment, which might sound a bit geeky, but I really love what I do and also I'm not ignorant to the fact that okay, yes, I'm a professional business builder but I'm not an expert in, for example, technology because I get so many approaches from people with new tech. And I don't understand how necessarily to grow the branding for an app, for example.

So I'm conscious because I only always need to give value and if I'm not going to give value and I'm not confident that I don't really want to get involved, so I wouldn't say I won't do other work. I mean when I will do other work for definite is if it's involved with the entrepreneurs that run recruitment companies. I mean it's one of the businesses, Older Point, they are now brokering land deals because they have such an amazing network of contacts that they know people that want to buy land, they know people want to sell land. So it's the natural step as introducers to do the land brokering and that was a lot harder than we thought. It's a harder market to get into but with the correct business strategy, which we've been holding the last 12 months, it started to take fire.

Now clearly, we've got to put the emphasis on the recruitment side for the time being because that's what pays the bills, but that is an avenue that the co-directors there, Dan and Anthony, wanted to look into and they told me their idea and their strategy, and I believed in them. So as a board now, we do work on that and we're working it more and more as the business grows. We're just going to get the timing right and get the share of emphasis right, but if the business builders that I'm working with, the entrepreneurs, the recruiters, want to work in other sectors, it is my job then, because I am their business partner to help them grow businesses outside recruitment.

Andrew: Okay that's really interesting I have to keep an eye on that for you, just out of interest because I'm into property myself. I've just got a couple more questions; I don't want to keep you on too long. It's just more about you as a person now, to be honest with you rather than Davidson Gray. I mean you've got so much experience and to be as successful as you are, you must have had some failures along the way or mistakes or learnings. What's your biggest one.

Rhys: I've had so many I can't think. I couldn't pick out anything really obvious. I have made a lot of mistakes you know, without a shadow of a doubt. I think one of them that really stands out is when the business I was MD of at the time, Elliot Marsh was incredibly successful. We had inquiries coming out of our ears, we're making a pile of money; it became too easy because it became too easy, I took my eye off the ball. And when the credit crunch happened and the construction crash happened, because at the time Elliot Marsh were very construction led and I had to downsize and streamline to rebuild again, I could then see all the mistakes I'd made in being metaphorically fat and lazy with the business. And that then taught me much much more than growing it was having to downsize and see the things that I wasn’t doing well, wasn’t easy. For example, the resourcing division we staffed it far too quickly; there was people in there that weren't necessarily efficient. There was far too much technology that wasn't necessarily paying for itself. There were things that I'd done because it was too easy and when everything is too easy, it's easy to get lazy, but when it's taken away from, you next time it's easy, you're not lazy anymore.

So with the businesses that I'm growing now, as they're successful when it comes very very easy for the business owner to spend a lot of money on new staff and new technologies, I'm there to help them be a little bit more prudent in the way that they do it. It's ultimately their decision, which I keep stressing. But what will be there is to help them to measure the things they spend on, so measure that the people they are employing are productive; the technologies are productive; the marketing is productive because it that you don't measure you can't manage. And people say that, but people don't necessarily use it and if you've got to spend on whatever it is, you've got to know if it's successful or not. When the business was making so much money, I had a certain degree of immortality because I come out of Cranfield, I was top of the class, the business was really making shed loads of cash.

You couldn't grow fast enough. It was all too easy, so it was too easy to make decisions through gut feel and emotion rather than maintaining that measuring of success of the things that you're doing. I think that was a lesson that was difficult to learn and it's not an obvious one, but I see it a lot in businesses in general that I have nothing to do with in recruitment, where they become successful the business owners become demigods and they start to make mistakes. But they don't know the mistakes until things go wrong and the problem with a recruitment company, when it starts to fail it could fail very quickly. Because as soon as people start leaving people get nervous, when they get nervous or the best billers leave because they can find jobs, so the weak ones are leftover, so the business isn't profitable.

It's probably got high hiring costs and you can have a very successful business they can fall off the cliff amazingly quickly and I was fortunate enough that I had enough structure in the business it was never going to do that. But the fact it had to go back was to go forwards was a great education for me because as I said before - Pain is a far better teacher than pleasure. And I don't do failure. Whether it's my business or somebody else's business. Whether it's sport or wherever it is. I've got to be the best I could be and anything that I count personally as failure is not acceptable for me and at that point in time it did feel like a bit of a failure because I had to reshape it, which was ridiculous because it was a construction business in the construction crash with a credit crunch.

So it was bound to be affected; every recruitment business was affected, well pretty much every business was affected. But it certainly held the mirror up to me at how much I thought I was a brilliant business leader, but I had so much more to learn. And that lesson stayed with me because as much as you might think you made it all in recruitment, whether it be a biller, whether it be a business owner whatever it might be. You're still learning every day and every week, and I that that was another good sort of Epiphany if you like of how much there's always still to learn and you should never think that you know it all. I've got a thirst for improvement and development, and I had the thirst in development Improvement then, but I wasn't doing it as wisely as I could have done because I was getting carried away myself and my ego got a little too big, I had too much confidence and with confidence comes complacency.

I remember speaking to a surgeon who's going to work on my back and he's very senior surgeon. He said that when he's talking to his students, he said that the biggest risk that you have in any hospital to accidents, is complacency, above anything else. And when you're running a business, as soon as you get complacent, mistakes happen. Now frankly you don't have to be super focused all the time but that was a good education for me, was having to take those backward steps.

Andrew: So that was a really interesting answer, I'm really please I asked that question, which was brilliant. Thank you, Rhys. So what's next for you? What's next for Davidson Gray? What's happening?

Rhys: Well I've got this business going live in September which I'm working on, I wouldn't say around the clock, because I said I work four days a week. But I'm working really really hard to get that ready because when I launch a business, for me I want it to be like Usain Bolt as it was on the blocks. There's no distractions and it's perfect. So I'm getting everything spot-on for that. But my eyes on the next two businesses which, because I am starting to get an awful lot of inquiries, that might come fairly quickly. What do I do then? Well, I have an idea to write a book, which I've spoken to you about briefly about. I still want to do that, but I only want to do that if I've got enough time to do that.

There are advances in the marketing I want to go and do because I really have a thirst for knowledge when it comes to marketing. but I think at that point it is going to be a case unfortunately Davidson Gray will have to close the doors, unless I find somebody else who has the same attitude to growing businesses that I have. I have reached out before and I found one chap that it came close, but he couldn't exit his current business that he'd sold, he was on an earn-out. At that point I might start looking a little bit harder for somebody who wants to help because without sounding like Davidson Gray is a charity, because it's not, but you know what I don't want is good honest, hardworking recruiters that want to do the next big thing knocking on my door and I can't help them and they go off and not being as successful as they could have been because they haven't got the right people working with them or they've got nobody at all.

So I would like somebody else to work with me, whether it be on a partnership, whether it be on a license agreement, franchise whatever it might be. I mean they've got to share the same ethics to me, but that would be the natural next step. But I think sometimes you've got to understand when you've got what you wanted and when I get to those seven businesses, I will probably feel that I've got what I wanted, which is you know hopefully seven businesses with a board of directors that run those businesses that I get on really well with, that I get a massive kick out of making those business successful, and I continue learning myself because I need to keep developing to help develop those businesses, whilst enjoying the life that I've got which is working incredibly hard. I'm very passionate when I'm in it, but also have enough energy and time to do the things I enjoy out of it, like doing the triathlons that I do, which I absolutely love doing but it takes an awful lot of time and effort to do that. I do things like that in my private life.

So there's nothing really massive on the horizon, because I'm going to stay true to every promise that I've made to the partners that I set up which is you know, you partnered with me, so I'll always be there to be your business partner. I'm not going to run off into the into the beyond if your like, when the next opportunity comes along, because I love what I do and I'm very very very very fortunate that I absolutely love what I do and there's nothing out there really, I want to do beyond this.

Andrew: If anyone wants to reach out to you then, what I mean unless you don't want to tell anyone because you're already inundated, but if anyone does want to reach out to you what's the best way?

Rhys: Bob me something on LinkedIn. No I'm not ridiculously inundated because you can usually tell quite quickly some inquiries that are realistic, some that aren't and people that aren't you know, I'm certainly very polite and point them in a direction that might be able to help them or give this one some advice. But not the best way is through LinkedIn.

Andrew: Right I'll drop your LinkedIn link in the description if that's okay with you. And then just give anyone the opportunity to reach out and for you to put them in the right direction if that's ok with yourself.

Rhys: I am in that position now where I can see I'm close to that point of having the seven partners and that's when I can pretty much turn off a lot of what I do with Davidson Gray where I'm dealing with inquiries and marketing so that means I'll have even more time then. Because I have to have time to deal with inquiries and there's a certain amount of market involved with Davidson Gray, but I'd rather spend that with the businesses. So if I can find two new businesses to set up, which I'm hoping to do in the next six months, nine months, because I'm incredibly choosy, then I'll be delighted.

Andrew: Brilliant Rhys, this has been I've thoroughly enjoyed this, there's so much gold in this episode, I absolutely love it. Is there anything else you want to share before we end it. Are there any tips or anything that you just want to get off your chest?

Rhys: I think to be fair to you, you've asked me, I mean I've been interviewed before on a podcast, but I think you've asked to the most intelligent questions without saying like I'm kissing your bum. But no, it's allowed me to come up with I suppose a fair chunk of stuff that, because I'm very much about sharing what I've done to help other people, and sometimes it's not easy necessarily to get that across without saying like you are popping on about how good you are. But the way you've asked the questions has allowed me to maybe share some of the stuff that people might find useful. Because it's like the blogs I've got on my website, the blogs have got a website, maybe like a lot of blogs that are really just tasters to hook somebody in to ask for more. They're actually our educational and they are written to help people, they're not written in marketing terms for Davidson Gray. Yes they attract people to Davidson Gray but they are there for people to learn from so if you want to set your own recruitment company and you don't want to work with me, then there are an awful lot of guides on there about writing business plans, forecasts, cash, how to coach people, you know marketing; there's so much on there and that is what I'm really trying to do is to help as many people as I can.

Again that makes me sound like I'm you know I'm some sort of evangelical charity guy that's trying to retrieve the recruitment. I can't pretend that I am that but what I do what I do, to help people benefit from my experience in a way that the people that want to learn or want to get better, could just take a little bit of what I can share in the small amount of social media groups I've got to get that message out if you like.

Andrew: To be honestly I think that is a breath of fresh air and just in my personal opinion, I think the recruitment industry needs that as you touched on before this. There are a few interesting characters in the recruitment world and it's the good people that understand service that stand out. So I feel really a big fan of your work and what you do.

Rhys: I appreciate it, Andrew. The recruitment industry does get tarnished with a bad brush but unfortunately you do tend to find amongst the people that made it because they've grown into an environment where, going back to what I said earlier, about being immortal, because you put people with successful people, maybe you start to think it's a bit special about something else and you've got money and you feel as all you've got power. Unfortunately, I've seen a lot of very nice, good people when they become successful certain into idiots. It's unfortunately when they get to that point where they can give people a lift up, they're too busy to put the foot on somebody’s head to push it back down again so they can stay up there.

And it is a shame but unfortunately, I think because the recruitment is so competitive did it just breed a certain degree of that, which is very unfortunate, but I'm a big believer that you know what goes around comes around all that stuff. The people that appreciate their staff or look after their stuff are successful. They won’t get caught out tomorrow or next week or maybe next year, but if people don't respect the people that work with them, then eventually you get you come a cropper. Not everybody but a lot of people, so hopefully it could be a bit of a positive selection process then you get some better people.