

What is it like to set up in business? Podcast Transcript

Hi, this is Rhys Jones. Welcome to my podcast. Today I'm talking about what it's like to set up your own recruitment company. I've looked on the internet it's not an awful lot on this, so I thought it might be a good one.

Satisfaction when you see results

What I can say is when you set up your own recruitment company, from personal experience, it is massively emotional. Most of it, the vast majority is in a positive way. Setting up my own company 20 years ago was one of the biggest adrenaline rushes I've ever had. I used to wake up at five in the morning, dying to go to work; it was just the difference that I got from satisfaction of knowing that everything I did, all the work I put into it, was for my business, it was for me.

It was all about growing the business rather than working for somebody else. It just transformed the motivation. I've always been highly motivated anyway, but when you've got your own business it's totally different; it's so rewarding. This is why I do what I do now because I can't set up my first business twice, but I do live vicariously through the people I partner with and help grow their businesses. The rush that they get, I feel it, I get the excitement they get. It's amazing. But as I said earlier, it's emotional. It does also bring with it some stress. You're trying to do a job you've never done before and unless you've got a mentor or a coach you've got nobody to show you how to do it.

So, you're going from your business life revolving around finding good candidates for vacancies to try to spin a few of the different plates like dealing with the tax, the accountancy, invoicing, chasing debt, dealing with legals, looking at the social media, how do you change the phone number on Google. All these different things; there's an awful lot to deal with when you're growing a business. I think how you deal with it is a lot of it were down to your disposition, whether you're sort of person that could handle multitasking, the sort of person that thrives on pressure. I think what also makes a massive difference is if you're working completely on your own.

Work on your own or in an office

If you've got a business partner as I did when I first set up, that helps. If you're working completely on your own then I do know from speaking to recruiters who've done it, it can be quite a lonely place that if you're having a bad day there's nobody to cheer you up. If you're having a good day, you've nobody to celebrate it with. And although you don't necessarily do things for a pat on the back from somebody else because if you set up on your own, you're not going to get that pat on the back. It's always nice to

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hear somebody get excited too. If you can go home and tell your life partner that you've had a great day and they can get enthusiastic about it, that helps a lot.

So, it can be a lonely place, but if you can push through that and get through to the point where you got the cash to take on staff, obviously that can help and that can make a difference or you can work in a shared office, which helps as well. It is very emotional for the first year every two until you get used to it. What I would say is, being a business owner is almost like an amplified version of being a desk recruiter. When I first moved into recruitment I spoke to an experienced recruiter; I said what advice can you give me, is it good to go into the recruitment industry.

Enjoy the highs and ignore the lows

He said you just got to enjoy the highs and ignore the lows because in recruitment you're going to have massive highs, you're going to have lows but when you're a business owner, certainly a new business owner, then they're going to be amplified. Your highs will be very high and when you have a low and you have a setback, it's going to be big as well. How do you offset the lows? Well call me biased but if you've got a mentor or a coach that is going to make a massive difference because not only will they understand what you're talking about, they'll have solutions for you and can help you pre-empt those mistakes that you're likely to make. I set up on my own without a mentor or a coach and I was fortunate. I was very successful. But yes, there were a lot of setbacks, yes there was a lot of mistakes. Yes, there was quite a lot of pain and unfortunately pain is a better teacher than pleasure, and I learned a lot.

But if I could have done it the easy way, would I have done it? Yes, absolutely. It would have reduced a lot of stress; a lot of sleepless nights and it would have just been a complete High rather than some of the low. So, if you can find somebody you can confide in, so you can talk who understands what you're going through, that's going to make a massive difference. If you've got an experienced mentor or coach that's going to be great. Having a business plan is also great but what I would say is, as I've written in my blog about business partners, a business partner is for life. It's easier to divorce your marital partner than it is your business partner. So, if you are going to set up with somebody, don't think it's going to be rosy for the whole business relationship.

Set up a shareholders agreement

You're inevitably going to have the odd cross word or the odd fall out so what I would suggest you do is you get a shareholder's agreement which should prevent you from getting into these situations because it'll pre-empt any fallout, so you know what's going to happen, you're not going to catastrophise. It does help with the what ifs because there's probably going to come a time during your career as it did with

my previous partner where you might have different views of how you want things to go whether you want to change the cash, you want to work less, whatever it might be. So you've got to bear that in mind that working with a business partner is not always going to be a bed of roses but what I would say is certainly for the start of the recruitment process or roller coaster of running a business, it will help and it will probably give you a positive experience rather than necessarily working completely on your own.

Working from home

The other thing is do you work at home from your back bedroom? Well, I'm recording this podcast at the moment during the heart of Covid. An awful lot of people are now working from home and the feedback I'm getting from a lot of recruiters is at first they didn't like it and then got used to it and it wasn't a problem and when I saw that in my businesses, I went from working in a very big office where there was a lot of banter to working on my own at home and to be honest I hated it. I hated the first few months; I was pretty miserable but then I got used to it and now, would I work in an office again? I wouldn't want to because I get so much more done at home. I find it far more enjoyable. So you've got to have a good think - do you think you'll be able to work on your own, not necessarily just for the loneliness factor but if you're working at home, it's too easy I think for some people, not necessarily for me because I enjoy my job and I've got a high work ethic.

But it's too easy to take the dog for a walk or play golf or Sky TV or get out of bed a bit late or whatever it might be. You've got to bear in mind that you're motivating yourself and if you go to a place of work you go in there to work. I suppose it's a bit like if you go to the gym you go to the gym to work out. Once you're there, it's almost easy but sometimes getting there getting off the couch is the difficult bit. So, working from home can be a little bit like that for some people, so you've got to bear that in mind. But overall, what I would say about what's it like to be a business owner – amazing, it's amazing. I've loved all the time I've been an owner manager, even when you have the tough periods. I just see it as a challenge.

Pride in yourself and your achievements

But it is completely different to being employed. If you are risk-averse, then maybe it isn't for you because you might get a bit stressed when things go against you, but I think most recruiters are pretty tough anyway because it's a tough industry. The satisfaction you get of growing something that's yours, knowing all the hard work you've put into it is yours, it makes some of the tedious tasks not tedious anymore. Things like using a database properly, writing blogs, writing job adverts, maybe some of the stuff that ordinarily you just think, 'I can't be arsed'. But it makes a difference because it's your business, you're growing it. And when you get those cheques in, you know you make an eight grand placement, great it's on the board, you're chuffed about it, you get some commission.

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But when you see that bank statement and that £8,000 plus VAT has landed or you get a paper cheque which you don't get so much nowadays, it's just a massive rush. And it's not all about money, far from it. I think it's about building something; it's about standing back and feeling a sense of achievement that you did this, it's your company, you built the website, you wrote the blogs, you got the database, you're making the money.

I remember, I won't go as far as saying it was an epiphany, but one of the moments I had an almost helicopter view of myself and I couldn't believe where I got to, I was in the pub after work and we had 10 people at the table all getting drunk and we're having a really good time on a Friday and I bumped into one of my friends and he said 'who are you with'? I said 'I'm with my colleagues over there'. He said, 'do all those people work for you' and I said, 'well yeah they do'. I looked and I thought 'God I can't believe that; I've got that team together, they're all there having a great time, they're all celebrating a good week. They all work together, they're successful together, they want to socialize together, and I've built this team. I've done that. It was just a massive rush because sometimes you can go along building something and you don't take the time to stop and look at it and see what you're doing. It's not often you stand back and go wow, I've done this.

Conclusion

At times during my career now I've made myself stand back and look at some of the achievements, to absorb it, because I left school pretty much at 15/16. I'm not an academic, pretty much everything's self-taught. I've never had the cash to put behind me to set up a business, it's always been my cash, my business partner's cash, obviously because he worked a business. We started off on a shoestring and I don't want to get the old working-class violin out, but it made me immensely proud some of the things I've achieved in business, because it's way beyond what I expected. That's why I do what I do now anyway, because I think being a business owner is one of the best jobs in the world, which is why I love working with business owners. It's just an adrenaline rush.

I'll stop eulogizing about how great it is to be a business owner. I just wanted to do a short podcast to try and explain what it's like being a business owner, how emotional it is, how to try and prevent some of the stresses of running your own company by working with a business partner or working with a mentor or coach; thinking about whether you can work from home or whether it's better to rent an office or work from an office. But also, I think to steal yourself for the fact that is going to happen, things are going to go wrong. It's inevitable but because it's your business you'll just feel it harder than you would if you work in an office. And you might not have somebody to bitch to about it; it's just one of those things. But as soon as you accept that not everything will be perfect and just accept the imperfections and enjoy the highs, then I can't recommend hardly enough.

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Thanks for listening to my podcast. I hope you've enjoyed it. As you can probably tell, I invest in and support start-up recruitment companies, so if you are interested in potentially working with me to grow a business together, you can get in contact with me either through our business, Davidson Gray, or you can contact me direct through my LinkedIn profile and we can arrange a conversation.

