

The Salon Owners Guide To Beating The Recession...

In less time, with *less stress*
than you EVER thought possible!

SIMON LOTINGA

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TESTIMONIALS

"When I read this book I finally began to see why running my business has been so difficult over the last 2 or 3 years ... The good news is it's also shown me what I can do about it!"

COSTANTINA BARDIS:

"This book is totally different from any other 'salon based' book I've read and I have to say, as somebody who finds the numbers part of running a salon extremely difficult, I thought the profit vampires were totally unique and the pence per minute formula is really easy to use! In all it has given me hope and I can't recommend it enough."

DANA TOULSON:

"The most important thing I've learned from Simon and this great book is ... 'You can't do it all by yourself' which means you have to trust and work with your staff. It's become my Golden Rule and it's made a real difference."

VICTORIA CORBETT:

"As a young woman with no business experience, I've found things difficult to achieve because no matter who I asked nobody was able to show me how to take charge of my business. I wasn't sure how to set my prices, I didn't know how to measure my staff, I didn't know how much profit I could realistically make. After reading this book I've found the answers I was looking for and for the first time I feel like I'm in control."

FIONA CANNING:

"After 15 years of being in business, we had to apply for our first overdraft which was soul destroying and we realised we needed help. The knowledge in this book has given us the tools see where

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we went wrong, undo some of our mistakes and build again for the future. It really has taken a huge weight off our shoulders."

ESTHER CAMERON/JULES CORKHILL:

"As a salon owner with 2 salons I'd recommend this book to anyone in the industry however big or small your salon may be. There is something profound to learn in every chapter but the marketing section has really got me thinking. I suddenly realised I never really knew what marketing was ... and the difference it's going to make to the way I promote my salon is huge."

PORTIA RUSSELL:

"For any salon owner, either starting up a new business or a salon owner with several years of experience, this is an essential read. In particular I found chapter 5 about Profit incredibly useful. I now know how to create a profitable price list, set meaningful budgets, keep control of my cashflow and identify the staff and clients who are on my side in the recession. Not bad for one chapter of an easy to read book!"

STEPHEN MCCARTNEY:

"Simon truly is ... 'The Salon Owners Guru!' and reading this book will change your salon for the better...for good!"

ANDREW BROCKLEHURST:

"Both Simon's books are straight talking, concise and really get you thinking about the way you look and run your business. They are my salon bibles and I use all the tools he mentions to help my business stay one step ahead of the game."

SUE CARTER:

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"This book will change the way you look at not only your business but also yourself. With it's easy to read message and powerful ideas it equips you both with the ability to survive the recession ... and any other ups and downs that come your way!"

JENNIFER BARKER:

"There's no excuse for any salon owner not to read this book ... it's so easy and quick to read and can have a huge impact on how you see yourself and your business ... It certainly opened my eyes."

SANDRA HUNTER:

"Simon should wear his underpants outside his trousers because he's the salon and spa super hero of today! His books, insight, knowledge and advice have been a real life line and have helped us successfully navigate the ups and downs of running a salon or spa. This book is an absolute must for any salon or spa owner wanting to survive the recession"

CATHERINE ROWLEY:

"I love this book!" When I first read it, I felt like Simon was speaking to me. Every time I turned a page I found myself smiling. It's full of information and yes...it pointed out my business faults but more importantly it gave me the why's and then step by step showed me how think "joined up". I can honestly say my salon is a much happier place to work in and substantially more profitable.

BILLY MANN:

Reading this book was like finding the lid of the jigsaw puzzle! It shows you how to avoid becoming a 'victim' of the recession ... better than that, it shows you how use the recession as a powerful

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motivational tool to create the perfect journey for your clients, your staff, your salon ... and most importantly for you!

GARY & BRENDA MCNULTY:

Simon's principles that he talks about in this book are so clever I'm just in awe. I've learned so much and I'm starting to think and see things differently about my salon. I used to be scared to come out of my comfort zone but now I'm really excited for the future.

LISA RUTTER:

This book is great, I felt like it was written just for me. I used to be a positive person but I lost the spark because of a mess I created myself. I now understand why it happened and what to do about it ... and the difference it's made is just amazing.

ELENA CARVETTA:

This is a great reference book and it's going to become my new salon bible. Having everything broken down like it is in easy to use steps is priceless. It's going to help me stay on track as I open my second salon.

DANIELA DAVIES:

DEDICATION

I'd like to dedicate this book to all the people who've made a real difference to me with their love, friendship and support.

Special thanks go to my wife Sue for putting up with my distracted state while I was getting it finished and my sons Jamie and Jack for their constant encouragement.

Special thanks are also due to my friend Billy Mann for tirelessly helping me polish each chapter and reassuring me it was all going to be worth reading! Thanks Billy, it made a big difference.

My thanks to all the salon owners I've worked with. You know who you are and working with you has been an inspiration. Another big thank you goes to those salon owners who were happy for me to share their stories and experiences in this book because they knew it would make a difference.

Finally a big thank you to Ronan, Craig, Donna, Pam, Darren, Joanne, Steve, Alan, Mark, Charlie, Sue, Wayne and all the other professionals who work with salon owners, who've been happy to recommend me to their clients. I really appreciate it.

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INTRODUCTION

YOUR CONFIDENCE!

I've got good news for you ... but first I've got some bad news!

The bad news may surprise you and it's this ... The really dangerous time in a recession for many salon owners **isn't** at the beginning when everything seems to be crashing down around us ... it actually comes later when we're two, three maybe even four years in. **That's** the time many find it **'hard'** to keep going and if past experience is anything to go by, thousands will eventually go bankrupt or decide it's not worth the hassle and simply close the door.

The good news is ... at the **same** time in the **same** economic conditions you'll see other salons still doing well.

Being very blunt with you ... the only difference between the salon that's going to struggle or die and the salon that will succeed - **no matter what** - is the **quality** of the leadership, the behaviour, the decisions and the choices the owner makes every day.

You see, most salon owners who struggle, do so because they simply don't know what they **'don't know'**. They're blind to the issues they need to focus on **and the price they're paying for not knowing is huge!**

That's what motivated me to write this book.

I have the privilege of coaching and working with salon owners all over the UK and Ireland and I see on a daily basis the difference that organising, leading and motivating your business in the right way can make. **Especially in a recession!**

I see the price salon owners are paying in stress and damaged relationships when things go wrong. I see what happens when you give salon owners a path towards a well organised, highly motivated and profitable salon and help them follow it. **I see the difference every day ... and it's HUGE.**

So huge in fact that I just had to write this guide to beating the recession and if it helps just **one** more salon owner to see the difference and change the way they run their salon, it will have been worth the time and trouble it took to create it.

So, if this is a recession beating book and we're in the recession beating business we'd better get started.

Let's start by asking ... how do we protect our salons from the effect of the bad news, paranoia and doubt that the media are constantly pushing at us, which damages confidence and therefore damages our clients' willingness to spend?

Well, oddly enough the answer is **CONFIDENCE!**

We have to believe we can.

- ✓ From that belief, comes **action**.
- ✓ From that action, comes **confidence**.
- ✓ From that confidence, comes **results**.

So that's what I'm promising you in this book. The confidence to

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follow a path to recession beating results ... but it begs a question.

**Why should you follow my path? Why should you listen to me?
In other words ... who am I?**

When I'm asked this question I reply "*I'm a business coach ... and helping salon owners create their own successful salon is my passion*" but at heart, like you, I'm a salon owner and I have been for the last 22 years ... **but it so nearly didn't happen!**

My father was a very well known hairdresser in his day. As a boy I was often asked, '**Are you going to be a hairdresser like your Dad?**' and the answer was always ... '**No**'.

When I left school I knew what I '**didn't**' want to do, but I didn't know what I did want to do. In a state of confusion I tried several 'careers' ... Harrods, 2 years as a London fireman, 2 years in sales were the highlights and yet ... none of them felt '**right**', so at the age of 23 ... I changed my mind, said '**YES**' to the often asked question of my childhood and joined the strange and wonderful world of salons.

More specifically I joined my father's group; he had 3 salons at the time. I must have been keen because I gave up my company car and took a 90% pay cut to do it! I stayed with him for six years, starting as a junior and working my way up from there.

The time came to take the next step, so I joined **L'Oreal**, as a field technician. This meant visiting salons all over South Wales and the West of England, training them how to use the products, helping them sort out any technical disasters that occurred and generally trying to inspire them to be the best they could be. Looking back it was the first time I'd had the opportunity to go into lots of different salons, some just hair, some hair and beauty and I loved it ... they were all so different!

I must have been doing something right because 18 months after

joining L'Oreal they promoted me and I became Technical Field Manager with responsibility for a team of 13 technicians working all across the South of England and Wales. This really expanded my horizons. I had a team to work with and the pleasure of being able to go into many more salons, not only to help them with their technical development, but also more and more as time went on, with their business problems as well. **This was definitely a sign of things to come!**

Along the way I met and married a wonderful woman who's stuck by me through thick and thin and we had a family. My job with L'Oreal was well paid, but it meant driving 50,000 miles a year, staying away from home 3 or 4 nights a week and it was poisoned at times by big company politics, which I wasn't good at and didn't enjoy. After 5 years I'd had enough ... it was time for me to retire from '**corporate**' life, become the master of my own destiny and **never** work for anyone else again! The idea was that I'd open my own salon, get it staffed, get it busy and then I'd be able to leave it to run itself. **I knew I wanted to be free to go off to do other things.**

As I said, that was the idea, but I made a **big** mistake ... **a mistake that was to change my life.**

Clients were coming into the salon and asking me to do their hair and I thought, "**why not get involved a little and do the odd one.**" Within 6 months I was by far the busiest stylist and unknowingly I'd sown the seeds for all the problems and issues that normally come with busy stylist/salon owners who try and '**manage**' their salon at the same time.

I was too busy to stand back and see what was really happening. I tried all sorts of quick fixes. I tried pay rises, staff motivation days, refits, new product lines, 'In salon' seminars with big name stylists and so on. **Each time things appeared to improve ... but the effects didn't last.**

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Something was fundamentally wrong and as time went on I got more and more unhappy. One day, when I was feeling really down I remember saying to myself ***"I can't do this anymore; I can't carry on like this. I'm going to have to find a way of making this business work without me, because I feel trapped and just don't want to be here!"***

And although I didn't know it at the time, that was the turning point. The conventional answers just weren't working, so it was time to look outside the world of salons and find another way.

I did find another way ... and boy did it work!

Now there's something I haven't mentioned yet and for the book to make sense it's something you need to know. When I opened in 1988 the economy was growing fast, it was boom time, but 4 years later we went into a recession, ***not as bad as the one we've got now***, but it lasted for the next 3 years and interest rates climbed as high as 15% at one point.

During the boom time I was doing what I **thought** were all the right things and yet I managed to create a business that made me feel trapped, a business I didn't enjoy, a business that gave me constant staff problems, and lots of worry about how I was going to pay my bills.

When I started to understand and implement **'the other way'** my salon changed ... in spite of the fact **we'd gone into recession at the time**. When I started to understand and implement **'the other way'** my staff problems began melting away as the group of people who had caused me so many problems started working well together. My money problems began melting away as well, as I finally understood how to take control of my business and make it profitable.

The point I'm making is that the lessons I'm about to share with you were created and **proven** during a recession. They worked for

me then, they're still working for me now, and they can work for you to!

I mentioned that they were proven, let me show you how.

18 months after I started making the changes I became ill and I went to the doctor and he said, "***You've got to have 6 months off!***" I went back to the salon and with no notice I called a staff meeting and said, "***I've got to have 6 months rest, you're going to have to run the salon for me***". They panicked, but I pointed out ... "***you've actually been running it for the last year or so, I just haven't told you!***"

They accepted the challenge and when I went back 6 months later, they'd absorbed my column, and actually grown the business. The turnover had actually grown, despite the fact I wasn't there and we didn't even take on another stylist to replace me! **What would happen in your salon if you took 6 months off with no notice?**

By the way, there was no manager waiting in the wings to do the job for me. The salon was (*and still is*) run by a group of normal young girls who were well recruited, well organised, well trained and who enjoyed working together. Their success wasn't an accident. It was the natural result of consistently applying the concepts and rules you're going to read about in this book.

They worked for me in that recession, they're working for hundreds of salon owners in this recession and I want to share them with you now.

Shall we get started?

CHAPTER 1

WHAT DOES YOUR SALON SAY ABOUT YOU!

Many times, when I come to a salon like yours, I'm asked to take a seat while one of your staff members lets you know I've arrived. While I'm waiting I've found I can get a real sense of what you're going to be like when we meet for the first time ... **Just from what I can see, hear, smell, touch and feel.**

I can sense things like:

- ✓ Whether your salon is clean, tidy and well organised ...**or a good example of chaos theory.**
- ✓ Whether your staff and clients are emotionally attracted to the salon ... **or just going through the motions.**
- ✓ Whether your salon has a clear marketing message that's being delivered consistently ... **or not!**

What I see, hear, smell, touch and feel tells me whether your salon is:

- ✓ A professional, well organised, business that knows what it's doing and is comfortable in its own skin.

- ✓ A mixed up confusing mess.
- ✓ or more often than not ... A frustrating mixture of both!

The amazing thing is, the picture your salon paints of you is more than just your outside 'vener' it's actually an uncannily accurate picture of how you feel about yourself on the inside ... in other words your self-image.

We all have a self-image and it consists of three things:

1. How we see our self (*our self-esteem*).
2. How others see us.
3. How we believe others see us.

Of the three, '**How we see our self**' - *our self-esteem* - is by far the most powerful because it dramatically affects the way others see us and the way we believe others see us.

It's important to understand, that our self-image may or may not be an accurate picture of '**who**' we really are as a person. We believe it's true, we behave like it's true ... but it may not be. **It just depends on how healthy our self-image is!**

It makes sense when you think about it.

Your salon is your business; you're the boss and leader, aren't you, and the degree to which it's successful - ***in spite of the recession***, the degree to which it makes money - ***in spite of the recession***, the degree to which it makes you happy and fulfilled - ***in spite of the recession***, will be controlled by what you believe to be true about you.

I've noticed the self-image of salon owners broadly falls into two groups and to make the difference clear I want you to imagine two different pictures.

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First of all I want you to imagine a pussy cat looking into a mirror and the reflection it sees isn't a pussy cat at all ... **when it looks in the mirror this little pussy sees: A LION OR A LIONESS!**

The salon owners who belong to this group are 'can do' ... 'I'm OK' ... '**possibility minded**' people, aren't they. These are people who are very comfortable in their own skin. These are people who believe they deserve to be happy, deserve to be successful and can achieve **anything** they set their mind to.

Now I want you to image a good-looking, talented, decent, hardworking, well-mannered person, who deserves to be successful, but inside **their** head there's an **often unconscious** script - *which means they don't even know it's there* - continually running that says;

"I need to put on this act, because the real me isn't talented enough, isn't good enough, isn't attractive enough, isn't smart enough and so on ... and I don't want to get found out!"

Who do you think is more likely to make a success of beating the recession with their salon? Someone who believes in themselves, and believes they can achieve great things? **Or someone who doesn't believe in themselves, someone who's racked with self-doubt?**

"It's obvious isn't it! The salon owner with a healthy self-image stands a far better chance."

So how can we tell if our self-image is healthy or not ... and if it isn't, what can we do about it?

Well, what we're going to do is give you a simple self-image check-up and by the time we've finished you're going to have a much clearer picture of who you really are and what you're really capable of!

Let's start your check-up by looking at your self-esteem.

As I mentioned earlier this is **THE** most important, most powerful, most influential part of your self-image, so with your permission we're really going to get to know it.

By the way, the word '**esteem**' comes from a Latin word that means '**to estimate**'. This means self-esteem is simply how you estimate, regard or see yourself.

So how do you estimate, regard or see yourself? One simple way to find out is by answering the following questions.

With each one, choose the number between 1 and 10 that reflects how strongly you feel ... *with 1 meaning **DEFINITELY NOT** and 10 meaning **DEFINITELY!***

These are important questions so please, take your time, think about them carefully and answer honestly.

- * Are you afraid of making mistakes?
* **Circle your score** 1 2 3 4 5 6 7 8 9 10

- * Do you find it hard to say no?
* **Circle your score** 1 2 3 4 5 6 7 8 9 10

- * Do you try to be perfect?
* **Circle your score** 1 2 3 4 5 6 7 8 9 10

- * Do you expect perfection in others?
* **Circle your score** 1 2 3 4 5 6 7 8 9 10

- * Do you often feel guilty?
* **Circle your score** 1 2 3 4 5 6 7 8 9 10

- * Do other people let you down a lot?
* **Circle your score** 1 2 3 4 5 6 7 8 9 10

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- * Do you find it hard to trust?
- * **Circle your score** 1 2 3 4 5 6 7 8 9 10

- * Do you put other people on a pedestal and think they're better than you?
- * **Circle your score** 1 2 3 4 5 6 7 8 9 10

- * Do you worry about the future?
- * **Circle your score** 1 2 3 4 5 6 7 8 9 10

- * Are you a born sceptic?
- * **Circle your score** 1 2 3 4 5 6 7 8 9 10

How did you get on?

If you scored four out of ten or higher on any question **you've found a low self-esteem symptom** and if you're serious about beating the recession you need to do something about it.

Why?

Because low self-esteem is **the** root cause of three different types of damaging behaviour that can easily undermine the ability of a salon owner to effectively recruit, lead, manage and motivate people ... **you won't last long in a recession if you can't do those things well, will you!**

The three different types of damaging behaviour I'm about to describe are easy to recognise when you're on the outside looking in, but much harder to recognise in ourselves, so please, please, please, don't be afraid to ask for feedback from someone you trust if you think any of these apply to you.

You need to find out whether your consistent behaviour as a salon owner could possibly be labelled as:

- ✓ **A nag or a bully;** as you try and keep control of your

salon by dominating the people around you?

- ✓ **A doormat or a people pleaser;** as you try and keep control of your salon by being 'nice' because you want everyone to like you, do as you ask and not cause you problems?
- ✓ **A perfectionist;** as you try and keep control of your salon by making sure everything is perfect?

Salon owners with any of these traits will find they attract staff problems ... like flies to a COW PAT!



The good news is, there is a simple answer, but before we look at it, here's an ...

IMPORTANT POINT!

Low self-esteem isn't an illness. Having low self-esteem doesn't mean you're stupid or make you a 'bad' person either!

It's just a reflection of how your unconscious mind is wired up at the moment. I say "at the moment" because we all have a choice, **we can change how we feel about ourselves.**

Only recently a salon owner was telling me about the nightmare

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she found herself stuck in when she chose the '**doormat/people pleaser**' option I just mentioned. Her staff problems got so bad she lost a stone in weight, she nearly had a nervous breakdown, she stopped trusting people and most important of all, she stopped trusting herself.

The experience left what little self-esteem she had in tatters, but the good news is ... she didn't let it beat her. She picked herself up and changed the wiring in her unconscious mind by going on a '**self-awareness**' course.

The results were absolutely amazing.

Her confidence grew, the way clients and staff responded changed, the salon started performing better and the problems that had seemed so '**BIG**' began to shrink and fade away.

She learned one of the most powerful lessons any salon owner can learn. How we feel about ourselves on the '**inside**' (*our self-esteem in other words*) will be reflected in what we experience on the '**outside**' in our life and in our business.

IMPORTANT POINT!

Change how we feel on the 'inside' and the results we get on the 'outside' will change as well.

Many years ago I used a **Paul McKenna** Hypnosis CD called '**Supreme Self Confidence**' to achieve much the same thing.

More recently Paul McKenna also published a book called '**Change your life in 7 days**' which contains a step by step guide to changing your self-image and it comes with a confidence building CD as well. Many salon owners I know have enjoyed good results with this.

Other salon owners have had good results with:

- ✓ Meditation
- ✓ Cognitive Behavioural Therapy (CBT)
- ✓ and Neuro Linguistic Programming (NLP)

If you do a search on Google, you'll find information, courses, books, CD's and qualified therapists for all of these.

Which would be best for you?

The answer is, it doesn't really matter which you choose, they all have the power to help you if you use them consistently and believe they will. This means the secret to overcoming low self-esteem and the devastating effect it can have on your ability to beat the recession isn't to spend years searching for **'the'** magic silver bullet.

Instead it's choosing the solution that's most affordable, convenient and comfortable, either from the list I just gave you, or from your own research and then building it into your everyday routine so it becomes **part** of you ... **Your goal is to get to the point where you can't imagine life without it.**

The next thing we need to look at is your Response-ability.

I know it looks like I just made a spelling mistake, but I'm making a point and before we discover what it is I want you to answer 3 questions.

1. ***"You see a driver going past you using their mobile phone, just before they crash and kill someone. It's a tragic waste of life, but who's responsible ... the driver, or the companies who made or sold them the phone?"***
2. ***"You have a friend who smokes 60 cigarettes a day***

who contracts and dies of lung cancer, but who's responsible ... your friend, or the companies who made or sold them the cigarettes?"

3. *"You read about a 25 stone teenager who dies of a heart attack, after regularly eating 3 Super-sized cheeseburgers every day, but who's responsible ... the teenager, or the companies that made or sold them the cheeseburgers?"*

Have you got an opinion?

Were the makers and sellers responsible, or did the individuals concerned make bad choices and self-destruct?

On the one hand, all the products were legal, weren't they. On the other hand, they all have the potential to be addictive and in the wrong hands can have **devastating** consequences.

But think about it, each of the individuals **DID** have a choice. Every time they used the phone, smoked a cigarette or ate a burger they had a choice.

The power we all have at the point we make our choices was summed up beautifully by the lawyer **Robert F Bennett** when he said:

"Your life is the sum result of all the choices you make, both consciously and unconsciously. If you can control the process of choosing, you can take control of all aspects of your life. You can find the freedom that comes from being in charge of yourself."

Now the truth is, that the choices involved in the examples I gave you a few moments ago were fairly obvious. I've asked a lot of salon owners about them at seminars and there's rarely any

disagreement that these people were the 'victims' of their own behaviour.

But what is a victim? According to the dictionary a victim is **'someone or something that's badly affected by someone or something outside their control'**. By that definition we're all victims from time to time. We have to accept that s**t happens, doesn't it. Nobody avoids it all their life.

We might have to accept it happens, but we **don't** have to let it define us, limit us, or restrict our options.

Why not?

Simply because, as responsible adults (*correct spelling deliberate*), we always have a choice. We can choose how we respond and it's our **'response-ability' ... our ability to choose a positive, constructive, forward looking response** to any s**t that drops on us from a great height, that's an incredibly important part of the process of developing a healthy self-image.

We can use the s**t to motivate us to be better, tougher, stronger, more caring, more focussed - *you decide* - or we can use it as an **excuse**.

IMPORTANT POINT!

Beware of people who habitually make excuses ... especially if it's you!

Excuse making is a classic sign of low self-esteem. Anyone who hides behind excuses won't be response-able. **Any salon owner who hides behind excuses will struggle to beat the recession.**

I remember reading about two twins, born to an alcoholic, wife

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beating, petty thief of a father. By the time the boys were 30 their lives had taken very different paths. One became just like his father, the other became a successful Salon Owner with a family of his own.

When asked why they'd turned out like they had, they both gave the same answer ... I'm like I am ... ***"Because of my father!"***

One boy saw his self-image as a victim and used his father's behaviour as an **'excuse'** to justify his own. In his mind, he had no choice.

The other saw his self-image as a success and used his father's behaviour as his **'motivation'** to be different.

Both boys had a choice about their self-image. **You have the same choice with the recession!**

You can see yourself as a victim of it and use it as an excuse for failure ... or you can use it as a powerful motivation tool to help you succeed. **Remember some salons will always succeed no matter how bad the economy gets.**

Here's another example. I recently asked more than 100 salon owners at a seminar, ***"How many of you would like to be financially independent and have plenty of money?"***

Nearly everyone put their hand up, which is no surprise, is it.

I then said:

"Now for the important question ... how many of you are regularly relying on your business overdraft to get by?"

The majority put their hand up again - and I'm sure they all had lots of 'reasonable' excuses to hide behind - but the fact is these are salon owners who say they want to succeed and become financially

independent. These are salon owners who have endless, **'becoming financially independent' choices they could make** but because of low self-esteem and the lack of a clear vision, most will carry on making the same poor choices that got them where they are now.

A quick way of telling how badly you're affected by poor choices is to look at what motivates you to take action.

- ✓ Are you someone who habitually leaves things to the last minute or waits until they get really bad before you take action?
- ✓ Does it feel like you're lurching from one problem, deadline or crisis to the next, all the time?
- ✓ Does it feel frustrating because you know what you want but you never seem to make any progress because other stuff is always getting in the way?

If you've answered yes to these questions then you're what's called a **'re-active'** person who relies on **'away motivation'**.

IMPORTANT POINT!

The problem with being 're-active' is you'll only ever get short term, 'quick fix' results.

Whatever it is you're trying to get away from will be back to haunt you sooner or later! This is low self-esteem behaviour and until you tackle the root cause of your low self-esteem nothing is going to change and the recession is almost **certainly** going to cripple or bury you.

To emphasize this crucial point let's revisit **Robert F Bennett's**

CHAPTER 1 - WHAT DOES YOUR SALON SAY ABOUT YOU!

quote for a second, but with your permission I'm going to change it very slightly.

"Your success as a recession beating salon owner is the sum result of all the choices you make, both consciously (your decisions) and unconsciously (your habits, beliefs, self-esteem and so on). To the degree to which you're able to take control of the process of choosing, (becoming response-able) you can also take control of all aspects of your life. You can find the freedom that comes from being in charge of yourself."

So what's the secret to becoming response-able?

The answer is in two parts.

1. By building up our self-esteem. As we've seen ... if we don't feel we deserve success or are capable of it, **we'll carry on sabotaging ourselves unconsciously with excuses and poor choices just like we've probably done all our lives.**
2. By honing our ability to focus on the present, or as I call it ... **'right now'!**

Why **'right now'**?

Because we can't live in the past ... but we can be response-able for creating a healthy relationship with it.

We're **all** affected by our past. The good stuff can be inspiring, but the bad stuff can hold us back for a very long time, can't it.

But the sad fact is this ... there's absolutely **nothing** to be gained from wallowing in any of the negative emotional baggage you've

probably been hanging on to up until now.

IMPORTANT POINT!

Feeling angry, guilty, sad, afraid or hurt about things you've either done, or been the victim of in the past ... is just a low self-esteem trap!

The good news is, by building your self-esteem you'll find it much easier to move on from the events/actions you've been a victim of. With high self-esteem the power of your past to motivate you or cripple you with excuses is yours to control.

We can't live in the future either ... but we can be response-able for creating a healthy relationship with it.

We've all got a future - *either short or long* - and it has the power to be inspiring. It can give us a purpose, direction, focus and a point or a reason for being ... **but it can also be a low self-esteem trap!**

How come?

Do you remember me asking you a few pages ago, to imagine someone who was running an unconscious script that said ... ***"I'm not talented enough, I'm not good enough, I'm not attractive enough, I'm not smart enough and so on"*** well they're going to be living their future through those low self-esteem limiting beliefs, aren't they.

They're going to struggle to make progress ... Is that the sort of future you want for yourself? ... **I don't think so!**

Your low self-esteem limiting beliefs could be different to theirs. For example, you might think you can't ... put up your prices, find good staff, or trust anyone ... take your pick from those, or any

other limiting beliefs you might keep ready for when you need them, because they all have the same effect. They cripple your ability to imagine and create a positive, **'future you'**.

The good news is that as soon as you start building your self-esteem your ability to be pro-active with your future and create a positive **'future you'** to aim for starts to grow. This is tapping into the power of **'towards motivation'** which is so much more effective for you in the long term than relying on the quick fix results you get from away motivation. It's more powerful because it makes the most effective **'right now'** choices you can make, so obvious!

If the **'future you'** that you're aiming for is slim and healthy, while the **'right now'** you is faced with a choice of a sticky bun or a piece of fruit ... the choice is obvious and a high self-esteem **'right now'** you, will find it easy to make, won't you!

If the **'future you'** you're aiming for is wealthy, while the **'right now'** you is faced with a choice between investing money or wasting it ... the choice is obvious and a high self-esteem **'right now'** you, will find it easy to make.

Be response-able ... be pro-active, build your self-esteem and you'll find it easy to use **'towards motivation'**.

Be response-able ... be pro-active, build your self-esteem and you'll find it easy to make the best **'right now'** choices.

IMPORTANT POINT!

Be response-able ... be pro-active, build your self-esteem and you'll find it easy to beat the recession ... RIGHT NOW!

CHAPTER 2

YOUR ORGANISATION.

Do you remember the low self-esteem salon owner from the last chapter?

Do you remember her staff problems that got so bad, she lost a stone in weight, nearly had a nervous breakdown, ***stopped trusting people*** and most important of all ... ***stopped trusting herself?***

It was a powerful story, wasn't it ... and did you notice how I emphasised the phrase ... ***'stopped trusting people and most important of all ... stopped trusting herself?'***

I did it because trust is incredibly important.

It's important because, without it, our willingness to take a risk and move out of our comfort zone - *like that salon owner did* - would be very limited and we could all end up feeling alone, stuck or trapped with our salon problems ... just like she did.

The amazing thing is, we very rarely think about whether we trust

someone or something '**consciously**', we just trust ... or we don't! We just react with our gut feeling, follow the crowd, or stick to what we know. So trust **unconsciously** shapes much of our decision making and when you think about it you realise it's the unconscious decisions you, your staff and your clients make about: How we feel, what's possible and what we're going to do, that has the power to make or break your salon ... **especially when you're operating in a recession.**

Why '**especially**' in a recession?

Because the underlying cause of any recession is a lack of confidence and if we're going to beat it we're going to have to use our secret weapon which is the ability to build ... **TRUST!**

- ✓ Trust in yourself, because it's the path to high self-esteem **and we already know how important that is.**
- ✓ Trust in your staff, because as we'll see in a minute, **you can't do it all by yourself.**
- ✓ Trust in your clients, because without their active, money spending, word of mouth spreading support ... **we won't have a business.**

IMPORTANT POINT!

Trust can take years to create and be lost in ... seconds.

So '**Trust Is A Must!**' ... because whether we know it or not, it's the emotional glue that bonds relationships into a powerful, constructive force and as salon owners, whether we like it or not, **we're in the relationship business.**

In the last chapter we looked at your relationship with yourself and

trust played an important part in that, didn't it. As we go through the next few chapters together we'll be looking at your relationship with:

- ✓ Your staff.
- ✓ Your clients.
- ✓ Your bank manager.
- ✓ ... and the tax man!

You'll find trust cropping up again and again in those as well ... but for now we're going to focus on the importance of trust in your relationship with your **'organisation.'**

Your organisation?

Yes ... your organisation, which is what you're allowed to call your salon ... **when you're sure it's properly organised!**

For this to happen, you have to create a systematically structured and managed salon. This means a salon that has systems and procedures in place that are **successfully** and **consistently** delivered by yourself and your staff. Putting it bluntly, to have a hope of beating the recession your salon has to be well organised ... **and then it has to stay well organised.**

It sounds easy when you say it like that, but it's a challenge many salon owners have found anything **but** easy.

They try really hard to get organised and stay organised but more often than not they end up like a clown in the circus, frantically juggling just about everything they can think of until something important gets dropped and somebody – *most likely them* – gets hurt!

Why does this happen? It happens because we're all human. We're not machines. We all have our strengths and weaknesses and when we have high self-esteem and high trust ... **we can be honest about our weaknesses and organise around them.**

The sad fact is, a lot of salon owners - *the low self-esteem owners* - try and cover their weaknesses with bullying, nagging, perfectionism and even by pretending they don't exist ... but it doesn't change the fact that their business is going to be at risk during the recession if it's relying on them to organise it ... **when they're not naturally organised!**

So which areas of your salon must have systems and procedures to help you do a good job of managing them?

As a minimum it should be your:

- ✓ Marketing.
- ✓ Stock Control.
- ✓ Accounts/Wages/Admin.
- ✓ Health and safety.
- ✓ Staff recruitment.
- ✓ Staff training.
- ✓ Staff motivation.
- ✓ Artistic/Technical leadership.
- ✓ Customer service.
- ✓ Property maintenance.
- ✓ Strategic planning.

Why?

Because they're all critical parts of your business and as the salon owner you're responsible for making sure **your** business does them **ALL** properly!

The important question is: ***"Which part of creating and consistently applying systems and procedures for these responsibilities in your salon are you naturally good at?"***

When you can answer this you'll also see clearly what you're doing badly or ignoring completely at the moment ... **while your problems grow like weeds and choke your business.**

Once you know what to focus on you can:

1. Actively take responsibility for those areas.
2. Find a way to get the others done by people who are equipped to do them well ... In other words **DELEGATE THEM!**

The art of delegating is often misunderstood. The secret to effective delegation is creating Win/Win. This is where:

- ✓ You get what you want done and ...
- ✓ The person you're delegating to gets something they want as well.

Before you can both get the winning feeling ... you have to be clear about **'what you want'** and you have to make sure they have the necessary skills, attitude and resources they need to get the job done.

- ✓ If you're not clear about what you want, how can someone else give it to you?

- ✓ If they haven't got the tools, attitude or ability to do the job, it's not going to work either, is it!

To make sure you both get the winning feeling ... you must '**record their progress**' and then '**reward their progress**' ... consistently!

IMPORTANT POINT!

Too many salon owners put their focus on recording the lack of progress and then they wonder why their people, don't trust them, aren't 'motivated' and won't accept responsibility.

The reward for progress might be recognition or praise, it might be the chance to learn something new, or earn something extra, it might be the opportunity to get on with the job without the risk of being judged or criticised.

The list of possibilities for rewarding people is long, isn't it, and the simple fact is that the foundation to successful delegation is **TRUST** ... but what's the secret to getting people to trust us and be prepared to accept the responsibility we want them to take?

That's an easy question to answer ... **we simply have to TRUST FIRST.**

The fundamental reason why **we** have to trust first was beautifully summed up by the Chinese Philosopher **Lao Tzu** when he said:

"He who does not trust enough, will not be trusted."

Remember, your salon is **your** business; you're the boss and leader, aren't you, and the degree to which it's successful - ***in spite of the recession***, the degree to which it makes money - ***in spite of the recession***, the degree to which it makes you happy and fulfilled - ***in spite of the recession***, will be dramatically affected by your ability to trust and be trusted.

Here's another question for you to think about. Did you find it **'easy'** to go through that list of responsibilities a few minutes ago and sort out what **'you'** should do and what you should delegate? If you didn't, it's absolutely essential that you get to know yourself better, so you can play to your strengths in future!

To help you build a clearer picture of **'what you're naturally good at'** we're going to do a simple exercise.

Before we get started I should mention I also recommend a book to my clients called STRENGTHS FINDER 2 written by Tom Wrath. The great thing about this book is that it comes with the password for an on line diagnostic test you can take which automatically produces a detailed report of your 5 top strengths.

Remember taking the STRENGTHS FINDER 2 online diagnostic test is in addition to the exercise I want you to do right now; so grab a pencil and write down your answers.

Let's make a start.

- * Are you naturally tidy ... or untidy?

I am _____

- * Which is more important to you security: or freedom?

I think _____ is more important

- * Do you need 'to do' lists, wall planners and a personal organiser to function: or are you happier just writing things down on the nearest scrap of paper and filing stuff in piles?

I prefer _____

- * Are you an 'always on time' person: or a 'just about on time' some of the time person.

I am _____

- * Are you an 'ideas' person who spends lots of time day dreaming: or a people person who craves the company and contact of others all the time?

I am _____

- * Are you good at starting things and then you get bored so most of them don't get finished: or are you determined to finish what you start, no matter what?

I am _____

Have you answered every question? Has it helped you to see which part of creating and consistently applying systems and procedures you'll be good at and which you'll do badly, or ignore completely? I hope so, but let me see if I can make your picture even clearer for you!

A salon needs to be tidy.

Why?

Because at least 40% of the population are totally turned off by a dirty or untidy environment. **You can't afford to turn off that many people!** If being tidy doesn't come naturally to you, it will make you vulnerable to the recession, so it makes sense to get someone who is naturally tidy to take responsibility!

The vast majority of your staff and clients crave the security of

knowing where they stand, what they can expect and how they fit in, especially when the outside world is full of uncertainty like it is during a recession. Routine, structure and consistency play a vital part in helping people feel secure but if you're a salon owner who loves freedom and the flexibility to change your mind whenever you feel like it, you'll find it hard to communicate and deliver a secure experience, won't you.

If you're a salon owner who loves freedom and the flexibility to change your mind, it makes sense to get someone who values security to organise you and manage your business to make sure your staff and clients are given the security they need!

A salon needs to be well organised with rules, systems and proper records. This helps everyone be clear about what's expected of them, helps you measure everyone's contribution consistently and it also protects you from unwanted problems if anything needs investigating in future. If you're not a naturally organised person who's good at keeping records, planning for meetings and getting the right things done at the right time, you'll be vulnerable to the recession. **So get someone who's good at record keeping and running systems to do it for you!**

A salon needs to run to a time schedule. If you're someone who finds this difficult, you'll be seen as unreliable, inconsistent and some people will find it hard to trust you. If other people's time isn't important to you, you'll be vulnerable to the recession ... **so give someone permission to manage your time for you and remind you where you have to be and when!**

It's great to be creative and come up with good ideas that can take your business forward; but it's also important that your people feel cared for, appreciated and nurtured. Very few people can do both well ... **so stick to what you're good at and delegate the rest!**

It's great if you're good at starting things, but they need to be finished as well. Very few people can do both consistently ... **so**

stick to what you're good at and delegate the rest!

Are you getting the message?

You might be thinking, *I'm getting the message Simon but I simply haven't got enough people to delegate to!*

Salon owners who say this usually fall into one of two categories.

1. They don't have many staff. When I was in this situation I bartered my skills with family members and clients who had the skills I was lacking. I did their hair for free and they did the jobs I needed doing.
2. They've got plenty of staff but they say ...'**I can't get the right staff to delegate to!**' When I hear this I know I'm listening to a low trust salon owner with low self-esteem and a poor self-image. Until this issue is tackled **nothing** else will get better and you can forget about trying to delegate ... **it just won't work.**

When you understand how it works and what it is you're trying to do, delegating is not that hard to get it right.

I know this for a fact.

How can I be so certain? Because I'm **not** an organised person, I employ **very** normal people and yet ... **I've got an organised salon.**

How did it happen?

- ✓ Because I worked on building up my self-esteem.
- ✓ This helped me to be honest with myself about my strengths and weaknesses.
- ✓ Then I discovered the other part of the jigsaw by reading

'The E Myth Revisited' by Michael Gerber which is an easy book to read that taught me how systems and procedures make delegating easy. It also taught me the amazing lessons I could learn from eating at McDonalds.

McDonalds ... **Why McDonalds?**

The simple fact is, that just about every branch of the world's most popular hamburger franchise turns over millions of pounds per year, is open for very long hours and yet it's staffed and run by very ordinary, very normal people. Many of them will be teenagers who drive their parents mad with their behaviour at home ... **yet they function well at work!**

Why?

Because at McDonalds the rules are clear. All their systems and procedures are broken down into simple easy to follow steps. Everyone knows what's expected of them and feels capable of delivering it. If for some reason they don't deliver consistently, it sticks out like a sore thumb ... **and they don't stay!**

Now please understand, I'm not saying your salon should become **'like'** McDonalds. I'm just using them as a well-known example of what can be achieved when rules, systems and processes are well organised and applied consistently.

And there's more good news. When your salon is well organised with clear systems and procedures that are applied consistently, you don't need to look for superstar staff any more.

Why not?

Because you'll find it easy to make your own ... **and** you won't have to bribe them to join you or pay them a fortune to stay!

So get organised, build trust and you'll find delegation easy.

Finally, it's a fact that you can't do everything yourself - *you haven't got the time* - and even if you did, very few salon owners are good enough at everything, to do them properly ... **but your salon needs them to be done properly.**

IMPORTANT POINT!

To create a recession beating organisation you must play to your strengths by sticking to what you're good at and become brilliant at delegating the rest ... NO EXCUSES!

CHAPTER 3

YOUR TEAM ... PART I.

In the last chapter we talked about trust and I mentioned that you had to **trust your staff**... because you can't run your '**organisation**' all by yourself.

This is absolutely true; you **do** have to trust them. If you don't, you'll probably be trapped in the recession like the juggling clown we talked about and you'll be trapped for a long, long, time ... and we don't want that to happen, do we!

So if '**trusting**' isn't an optional extra. If '**trusting**' is something you have no choice about if you're going to build a recession beating organisation, then you'd better be careful.

You'd better be careful '**who**' you employ, because:

- ✓ Not everyone will prove to be trustworthy.
- ✓ Not everyone has the ability to do the job you want them to do.
- ✓ Not everyone has an attitude you're comfortable working with.

This means you'd better be careful **'how'** you employ as well, because it's essential to recruit and then motivate the right people, isn't it. If you don't, the price you'll pay in repetitive staff problems and systemic underperformance will be high and during a recession you simply can't afford it!

So let's look at recruiting first and the art of recruiting is to attract the right candidates.

The process starts with the right advert and there's a simple four step formula you can follow which has the power to make any advert you create **much** more powerful.

The formula is called **A.I.D.A.** and the four steps go like this.

1. Attention.

Attract your ideal candidate's attention with a powerful headline. A great headline is 80% of the secret of a successful advert. You only read the articles in a newspaper that get your attention ... It's the same with adverts!

2. Interest.

Now you've got their attention, you need to build their interest in the job you're offering.

3. Desire.

There's a difference between being interested in your job and really wanting to work for you ... NOW! This is the step where you make that happen.

4. Action.

*Finally ... Now they really want it ... Tell them **exactly** what they have to do to get it.*

IMPORTANT POINT!

Before you start writing your advert you need to be clear about exactly who you want to apply for the job, what they're missing at the moment and why you're the employer who can give it to them!

Now we understand that ... let's start with the headline and the secret is to make the headline about **them**, or **their problem**, not about **you**, or **yours**.

If your headline says ... "**Stylist Required**" or "**Top 2 Toe Are Looking For An Experienced Therapist**", it's about you, isn't it.

If however, your headline says ... "**Are You An Experienced Stylist Who's Talent Is Being Wasted?**" or "**Are You An Underpaid, Overworked Therapist Who Needs A Better Boss?**" ... it's about **them** and is far more likely to get their attention!

By the way, research has shown that putting your headline in "**Quotation Marks**" and starting each word with a **Capital Letter** will increase the response to your advert, so it's a good habit to get in to!

Now let's build their interest.

How? ... Tell them a story!

Tell them a story that paints a picture and stirs up the feelings that go with your '**imagined**' version of their current situation. While you're doing it you can add yourself to the picture and explain '**why**' it would be different working for you.

Let me give you an example. If your imagined '**perfect candidate**'

was an experienced therapist with a strong following who's been attracted by the "Needs A Better Boss" headline you could say ...

"I know how you feel. Like you, I was a busy therapist working for someone who was so wrapped up in themselves and their problems that they forgot to notice what I was doing for them. You could say they took me for granted. In the end I got so frustrated I had to leave and start my own business. When it opened I made myself a promise that I will never make the same mistake with the therapists I employ."

At this point you may be thinking ... This looks like it's going to be a long advert Simon and I'm not sure I can afford it! If you are, you'll be pleased to know there's a simple, low cost way of getting a lot of information into an advert ... **without spending a fortune!**

What is it?

You can split your advert into 2 steps.

- ✓ Step 1 is a big bold attention getting headline followed by some interest building copy ... like I've just shown you.
- ✓ Step 2 is to say ... **"to find out how I kept my promise and could be the new boss you're looking for ... go to www.great-therapists-job.co.uk"** *By the way I just made that web address up, which is something you can easily do for yourself. When you've created a good one, just check if it's available and buy it, before someone else does. You can check availability and buy domain names very cheaply from lots of web sites but my favourite is www.freeparking.co.uk*

Now creating a specific web page for a job advert used to be complicated and expensive ... **but not anymore.** These days you can create free web pages or even free web sites very easily. I help the salon owners I coach to do it all the time and when you go to either **www.wix.com** or **www.weebly.com** you'll see how easy using these free services can be.

Right, let's get back to our advert. You've got their attention and generated interest. If you've got the space - *which you now know how to get* - I'd continue the story by showing them how you've delivered on the promise you made to be a better boss. You can do this with quotes from existing staff about what it's like working for you.

"I can honestly say that moving to 'Top 2 Toe' has been the best career move I've ever made. I'm well paid, learning new skills all the time, I get on great with the others, I couldn't ask for more."

JANE JONES ... BEAUTY THERAPIST.

You can include images of your staff happily working in the salon or enjoying themselves on team nights out. There's a lot you can include, isn't there, just remember to make the experience of being a member of your team come alive.

You can also include an idea of '**on target earnings**', staff training arrangements and any other perks that come with the bonus of working for you.

When you've painted the picture you can move on to **Desire** ... the desire to take action and contact you **NOW**. The secret to this is ... scarcity. Scarcity of time or scarcity of availability. Both work well to give people the push they need to act and you can introduce them in a couple of ways.

1. With a deadline ... **"applications have to be in by etc, etc."**
2. With high demand ... **"last time we advertised we got nearly 30 applicants, so it makes sense to call now and get in early."**

The final part of your advert is **Action**. Never assume what they have to do next is obvious. **You have to spell it out word for word for them!**

- ✓ Pick up the phone and call me between 3pm and 5pm on Tuesday 1st March for a brief introductory chat.

By the way, my personal preference is to screen applicants briefly on the phone, rather than asking for a CV or application form.

Why?

Because, I believe it's the cheapest and fastest way to sift out the time wasters and no hopers. The fact is that talking to someone will tell you a lot more about what they are really like, than reading a form they've filled in - *or should I say someone 'might' have filled in for them* – because research has shown that 40% of application forms and CVs sent in contain ... shall we say ... **'factual inaccuracies'** and even the truthful bits will have important facts left out and a positive gloss put on everything!

Now let's assume you've got some worthwhile **'applicants'** and move on to the selection process. We agreed earlier that you'd better be careful **'who'** you employ, because:

- ✓ Not everyone will prove to be trustworthy.
- ✓ Not everyone has the ability to do the job you want them to do.

- ✓ Not everyone has an attitude you're comfortable working with.

So how do you create a selection process that helps you find these things out sooner rather than later?

- ✓ You do it by building a clear picture of the self-image, beliefs, values and attitude of the person you're thinking of employing, ***as quickly as possible.***
- ✓ You do it by not relying on **your** judgement alone. ***You get the people they're going to be working with involved in the decision as well.***
- ✓ You do it by not just relying on an interview and trade test to make your final decision. ***Your selection process should have several steps and take 3 months in total.***

Now I agree that in our industry a 3 month selection process might seem an awful long time, but the recession makes getting value for the money you spend on wages more important than ever. Did you know that employing the wrong person can cost the average salon owner **tens of thousands** because of lost clients and damage to team morale?

Can you afford to be that sloppy in your hiring decisions? Wouldn't it be better to be professional and take a little time and trouble over it?

Of course it would, but sadly most salon owners don't.

Instead they think "**I know I should do it properly, but I don't know how and anyway I'm busy at the moment ... I'll do it next time**" and sadly for them ... next time never comes. Instead they carry on making the same mistakes again and again, while wondering "**why does it always happen to me?**"

So, we're agreed. It's important to have a selection process to help us identify the right people to employ and the good news is, I'm in the middle of sharing one with you!

- ✓ It's a process that give your applicants reliable information about working with you and your team; they've got a decision to make as well, haven't they - *and if the truth about your salon is so unattractive that it would put an applicant off if you spilled the beans, you'd better sort that out before you recruit anyone else!*
- ✓ It's a process that makes it almost impossible for candidates to avoid revealing their true 'self' to you.

Before I get into more detail about the 'process' ... here are four guiding principles to follow:

1. **Conduct your selection process in the 'right' frame of mind:** *It's so important not to be **desperate**. One of my favourite sayings is: "**It's better to have no staff than the wrong staff.**"*
2. **Hire slowly and fire quickly:** *Take the time to interview candidates thoroughly, then give your staff the chance to meet them and express an opinion as well, before you finally decide whether to offer a 3 month trial period or not **and if you have any doubts or concerns during those first 3 months, take that as a sign, let them go and be prepared to start again.***
3. **Don't take anything you're told at face value:** *Use it as a starting point for further discussion **and that's it!***
4. **Know what you're looking for:** *You must understand that getting a feeling for a candidate's self-image, attitudes, beliefs and values is **far** more important to you*

than a picture of their current skill level.

Follow these principles and you won't go far wrong. Now let's move on to the detail I promised you:

- ✓ When you interview, choose a suitable venue that sets the right tone. Don't use your staff room or anywhere that you can be interrupted.
- ✓ If you don't have a suitable place in your salon, use a local hotel. I've held many interviews in hotel lounges and I've found as long as you buy tea or coffee at regular intervals they're quite happy for you to be there.
- ✓ How and where you sit is important; so to help you get your body language right, sit at the same level as the person you're interviewing with no barriers between you and preferably at a 90 degree angle to them.
- ✓ Start the interview with a brief scene setting speech which makes lots of points that they would naturally agree with *and nod a couple of times every few seconds while you're saying it to promote agreement.*
- ✓ Remember, while we are interviewing, what we're **really** looking to discover are the beliefs, attitudes and values that make them '**who**' they are.
- ✓ The secret to doing this is by combining reflective listening with some simple questions. Learn to use these together and interviewing will become **very** easy for you!

We'll get to the questions in a moment, but remember, on their own, they **don't** have any special significance. You absolutely must combine them with reflective listening to make them work.

Here's a step by step guide to using reflective listening.

When you both sit down at the beginning of the interview ... ***sit like they do.***

If they:

- a. Fold their arms, ***fold your arms;***
- b. Cross their legs, ***cross your legs;***
- c. Sit upright, ***sit upright yourself;***
- d. Slouch, ***slouch yourself;***
- e. Lean towards you ... ***lean towards them, and so on.***

Then for the first two minutes 'reflect' any changes they make in how they sit. You take the time to do this because it makes them feel comfortable.

By the way, becoming a reflective listener is easy if you follow a simple rule, which is: "***don't think about what you're going to say next ... just watch and listen carefully until they've finished talking!***"

Watch for:

1. A change of expression on their face: ***they may smile, raise an eyebrow, blush or go white.***
2. A change of posture: ***they may sit back, sit forward, lean towards or lean away from you, cross or uncross their arms or legs.***
3. A gesture with their hands: ***they may point at something imaginary, sit on their hands, make a chopping or***

pushing gesture. They may wave their hands about, touch their nose or mouth or scratch their head.

All these changes can be a sign of a **'reaction'** and behind a reaction is an **'emotion'** and that's what you're after, because you're looking for what matters to **them**.

Now, once you spot it, you must reflect their **'reaction'** back at them in a follow up question, to help you find out more about the **'emotion'** behind the reaction. Make sure you reflect the **same** word(s) and gesture(s) back to them when you ask your question.

For example, they might say ... ***"I love helping people"*** (As they say it you see them smiling and nodding their head.)

You could turn their reaction into a question like: "I can see you **'love helping people'** (you smile and nod as you say it, just like they did) and that's important in a job like this, isn't it. Tell me about the last time you helped someone. What did you do?"

Can you see, you're repeating part of what they said, in the same way they said it, but you've used it to create a powerful question.

Remember, reflecting language and gestures back to anyone you talk to, will give them the feeling you understand them deeply. This means they are far more likely to open up and tell you more. In fact, when you learn to reflect well, ***you'll get to know them much better than they really want you too!***

Don't forget, you've got **2** eyes, **2** ears and only **1** mouth, so listen and watch **very** carefully while you're reflecting ... ***at least four times as much as you talk!***

IMPORTANT POINT!

When you first start to use reflective listening it will probably feel uncomfortable and you'll think the other person 'knows' what you're doing ... I can promise you, THEY WON'T HAVE A CLUE!

It's quite 'normal' to feel this way but if you practice, practice, practice and get really comfortable using it ... **your life and your salon will never be the same again!**

I say '**life**' as well as salon because most people who get really comfortable with reflective listening, practice on their partners and family first. What they discover when they do is amazing!

- ✓ Their partners stop moaning, nagging or ignoring them and start paying attention instead.
- ✓ Their kids start behaving better because they feel more understood.

The fact is, once you take the time to get comfortable using it, the power of reflective listening to improve your relationships and your ability to understand people becomes blindingly obvious and your personal life really **does** get better!

Now, let's get back to the interviewing process and before we get to the helpful questions I promised, I want you to remind you that on their own they have no special power.

Combined with reflective listening they give you the power to become a brilliant interviewer.

IMPORTANT POINT!

If you find you're getting through the questions in less than half an hour it's a sign that you're not using reflective listening properly.

If this happens, just practice until it becomes second nature and you'll find yourself talking less, listening more and asking better follow up questions, without even thinking about it!

You'll find yourself having fun and feeling in control in a way that never happened before.

With that point understood, here are the questions.

1. "If I was talking to your best friend and I asked them to describe you in 3 words or less, which words do you think they'd choose?"
2. "I'd like you to look at these 4 shapes and tell me, which is your favourite?" ... *When they've told you, ask them for their second favourite and so on. I'll explain how to use their answers after we've finished the questions.*



3. "Sometimes we're inspired by people we know, sometimes it's someone we read or hear about. I'm interested to know who you think has been the most inspiring person in your life."
4. "A recent survey showed that people in our industry enjoy their job more than any other profession; what do you feel makes it so enjoyable?"
5. "If I gave you **£10,000** and said you had to spend it in the next **24hrs** what would you do with it?"
6. "Everyone in our team needs to be comfortable taking responsibility so I'd like you to give me an example of something you've done that shows you're a responsible person."
7. "Where do you see yourself in 10 years' time?"
8. "If money was no object; what would you do on your perfect holiday?"
9. "Tell me about the last time you felt really successful."
10. "Give me 3 reasons why I should seriously consider giving you this opportunity!"

How do those questions feel to you? I hope you can see how powerful they'll be when you use them as revealing conversation starters.

Now, I promised to explain about the shapes, didn't I!

You'll find them very interesting because the '**order**' the person choosing them comes up with suggests a **lot** to you about their priorities and what makes them tick.

People who choose the square normally:

- ✓ Love detail.
- ✓ Make lists.
- ✓ Hate being late.
- ✓ Always tidy up and put things away after they've finish using them.

People who choose the circle normally:

- ✓ Love people.
- ✓ Enjoy entertaining them.
- ✓ Like caring for them.
- ✓ Only feel complete when they're in the company of other people.

People who choose the squiggle normally:

- ✓ Love change.
- ✓ Hate being tied down.
- ✓ Are always changing their minds.
- ✓ Are often late.
- ✓ Are disorganised and untidy.
- ✓ But they do come up with great ideas!

People who choose the triangle normally:

- ✓ Are driven to get things done.
- ✓ Get to the point.
- ✓ Are direct.
- ✓ Are focussed.
- ✓ Are competitive.
- ✓ Often don't care if they upset people!

I explain that most of us are a '**combination**' of characteristics from 2 and sometimes 3 of the shapes; but we all have a dominant way of behaving. I then explain what the order of their choice '**suggests**' to me about **them** ... and you'll be able to sense from their reaction whether what you've said is true or not. *(Do watch for their reaction carefully, because this exercise is only about 80% accurate so you won't be right all the time, but as you'll see in a minute ... it doesn't matter!)*

You can really have fun with this, because right or wrong, you'll find you can build on their reaction by asking great follow up questions with your **reflective listening** abilities and when you do, you'll discover **more** about what really makes them tick!

Just remember it doesn't matter which way you get to know them better, all that matters is ***you do get to know them better!***

Now, let's go back again to the selection process. If after you've had your '**reflective listening**' chat you're pretty sure the person isn't who you're looking for, simply thank them for coming and tell them when and how you'll let them know about your decision.

If you do think they have potential, pay them the compliment of saying so, and then ask: ***"What questions would you like to ask me?"***

As you answer their questions, look for the right time to give them a clear picture of what they can expect if they're successful. For example, I'm always looking for the right opportunity to say:

"You must understand I'm not looking for someone who simply wants a job; I'm looking for someone who wants a career."

"If you're successful and join us you'll be given the opportunity, the tools and the environment to create a successful career, but, and it's a BIG BUT, whether you achieve it or not is up to you."

"Of course the team and I will be here to guide and help you, but we can't and won't do it for you; and if we ever get the feeling you're not committed to making the most of the opportunity, we'll be parting company; now, do you still want to join us?"

Do you know what?

If candidate gets this far, they always say YES!

So ask yourself: ***"What would my version of that speech sound like ... what do they 'really' need to know about working with us?"***

When you've finished your interview you then have to decide if they're good enough to go on to the next stage of your hiring process.

If they are, this is where you get your team involved.

Depending on what the applicant is currently doing you have to be flexible with this next step, but I arrange for them to spend as much time as is practical with my team. Normally it's either a couple of days together or 3 or 4 afternoons and evenings spread out over a couple of weeks. While our applicant is with us they contribute whatever they can to the running of the salon, including doing clients or models, cleaning, taking part in meetings and so on.

At the end of that time I ask every team member for their decision and if **any** of them say no, that's it ... the applicant goes no further. If they all say yes (*and normally they do if I've done my job at interview properly*) then we offer the applicant a 3 month trial and usually they accept!

At the end of the 3 months as a final check I ask every team member for their final decision and again if anyone says no ... the applicant leaves.

Now the reality is, if there are any doubts or problems, they tend to surface much sooner than 3 months and if they do crop up I always investigate and try and solve the problem ... once! If it doesn't work I take it as a sign and the applicant leaves.

And that's it.

You've come to the end of a powerful, widely used, tried and tested recruitment process that can transform your salon and your ability to beat the recession.

Also by introducing the idea of involving your staff in the decision making process I've given you a big hint about what's coming in the next chapter!

CHAPTER 4

YOUR TEAM ... PART 2.

In the last chapter we focussed on taking on the right staff, didn't we ... but what about the staff you've already got ... do you need a process for working with them as well?

ABSOLUTELY ... because without it you'll find the same problems cropping up again and again ... and we know by now we don't want that to happen, do we! So we need a process to follow, a map to follow, a path to follow, call it what you like. I call it building ... **Team Esteem.**

Let's start with a definition of team ...

T ... ogether

E ... veryone

A ... chieves

M ... ore

which is self-explanatory and fine as far as it goes, but it doesn't go far enough! We need more. We need to add some emotional

glue to bind our team together and that's where the concept of '**Team Esteem**' comes in.

Look at this definition of Team Esteem and see if you can spot the emotional glue ... "***A group of individuals who unite around a common belief or idea and feel good about working constructively together to further that belief or idea.***"

Emotional glue is brilliant stuff. It will stick your team together and help you **all** stick to the task of beating the recession.

IMPORTANT POINT!

You can't impose 'Team Esteem' onto a group of individuals, but by creating the right environment and introducing the right people it happens automatically.

Now, the first rule of '**Team Esteem**' building is ... **NO HYACINTHS!**

No Hyacinths?

Yes ... under no circumstances does it make any sense to try and build your '**Team Esteem**' with a Hyacinth in the picture!!! This probably won't be making sense at the moment, so I'd better explain what I mean by a '**Hyacinth.**'

I mean ... a character like **Hyacinth Bucket** from the TV series that ran in the UK until 1995 called **Keeping up Appearances**. I don't use her to make this point because she's a bad person. The reason I use her is simply because she's a brilliant example of a square peg trying to fit into a round hole. She's someone who is desperate for the world to see her in a certain way so she can feel secure and happy ... the problem is, in making **herself** comfortable she

damages the environment for **everyone** else!

If you've seen the series, you'll know what I mean. If you haven't ... just go to **www.youtube.com** put the name Hyacinth Bucket into the search box and see her in action.

When you've got the picture, just ask yourself:

- * In meeting her needs ... does she make her husband happy or does she make her husband's life hell.
- * In meeting her needs does she make her neighbours happy or does she make her neighbours life hell.

It's obvious, isn't it, she makes life hell for just about everyone she comes into contact with ... but what does this have to do with our emotional glue? Well, there may be people within your team who are perfectly nice people, but in getting their emotional needs met - *whatever they may be* – they make it difficult for others to work together and if that isn't happening, the glue won't set and you won't build '**Team Esteem**'.

Hopefully you're getting the point about the damage Hyacinths often unconsciously cause, so the next question to answer is ... how would you know if you've got any?

Here's a simple exercise that will help you identify them. You'll need a piece of paper and a pen or pencil. When you're ready, make a list of the names of everyone you employ or who's involved in any way with helping you run your salon. This includes your parents, partners and spouse if you have regular contact with them, because they can all have a profound effect on your ability to run your salon!

When you've done that, take each name on your list in turn, and based on your experience of working (*or living*) with them, ask yourself the following four questions ... (*Go with your gut reaction*

when you're doing this exercise and take no more than 5 seconds to answer any of the questions.)

Question 1.

Does this person have an attitude I'm comfortable with, and the skills to do the job I want?

YES or NO

Question 2.

Does this person have an attitude I'm comfortable with, but their skills need improving to get to the right level?

YES or NO

Question 3.

Does this person have an attitude I find frustrating and challenging but has the skills needed to do the job well?

YES or NO

Question 4.

Does this person have an attitude I find frustrating and challenging, and their skills need improving to get to the right level?

YES or NO

*Each time you ask this series of questions, the person concerned should end up with **3 'No's'** and **1 'Yes'** and all I want you to do is make a note of the **number** of the question you answered **'Yes'** to, next to their name on the list.*

Is that what you've got? ... **GREAT!**

What shall we do with the information?

Ask yourself, who deserves your time, energy, support and encouragement:

- * The people who are supporting you and have an attitude you can work with?
- * Or the people who frustrate you, and want to pull you in different directions to suit their own agenda?

The answer is obvious isn't it! You work with those that want to work with **you** and they're the people who've got a number 1 or number 2 next to their name on your list. The 3s and 4s are your Hyacinths!

What's not so obvious is this: instead of trying to bribe or motivate your 'Hyacinths' to change their behaviour... **just do 2 things:**

1. Every time they break a rule or cause a problem, take them to one side and in a quiet, non-emotional, **professional** manner, tell them what they've done wrong, explain it's unacceptable, be very clear what the consequences will be if they do it again **and don't wimp out of delivering the promised consequences if they do cross the line!**
2. Every time they do something positive that you want to encourage, **pay them the compliment of noticing and saying well done.**

The rest of the time, don't try to 'motivate' or 'change' them. Simply **ignore** them except for the usual day to day need to be polite and work together ... put your energy and attention into the positive things that are happening in the salon.

IMPORTANT POINT!

Only someone with a positive self-image and high self-esteem will be able to do this consistently, but if you do manage it, one of two things will happen very quickly:

- 1. They'll get fed up because their tactics aren't working anymore and leave.*
- 2. They'll modify their behaviour to get more of the praise they now deserve and you won't want them to leave!*

Either way your team (or your home life, because these principles work on parents, partners and spouses as well, if any of them are your Hyacinths) ... **just got better!**

Remember, a Hyacinth is just a square peg trying to fit into a round hole or if you prefer; someone who needs to pull you in **their** direction to meet **their** emotional needs ... **not yours or your teams!**

Remember, don't try and motivate them, or change them because 80% of the time you won't succeed, you'll just waste time and energy you could be using to beat the recession. It makes much more sense to accept they're not the right person for your team and help them move on to another job.

I hope you agree ... because if there's one lesson I've seen too many salon owners learn the hard way, it's this.

IMPORTANT POINT!

A team which has a Hyacinth in it ... won't stay as a team for

long, and if you're a salon owner who spends your time trying to save your Hyacinths rather than building 'Team Esteem' you'll eventually lose your good staff because of it.

Now, do you remember earlier I said ...

"You can't impose 'Team Esteem' onto a group of individuals, but by creating the right environment and introducing the right people it happens automatically."

Well, we've been talking about recruiting the right people and recognising them in our team, haven't we, so now I want to look at the other side of the coin which is creating the right environment.

To do this we need to learn how to lead our team members up 'The Team Esteem Staircase' and when you think about it logically the place to start is ...

STEP 1 ... IT'S JUST A JOB.



If any of your team get stuck on Step 1 ... you'll know.

You'll know, because to them, what they do '**is just a job**' which means they'll turn up, go through the motions and go home. That's **it**. As their employer that's **all** you'll get and sadly it's all the majority of employers **ever** get from most of their staff ... **ouch!**

STEP 2 ... EMOTIONAL SECURITY.



This is where we add the '**emotional glue**' that holds your '**Team Esteem**' together but be warned:

- ✓ It's the tough step.
- ✓ It's the danger zone.
- ✓ It's the step on '**The Team Esteem Staircase**', most salon owners get wrong at one time or another, *(including me!!!)*

You'll find with the added pressure of the recession the chances of getting it wrong go through the roof ... **and yet in theory it should be so easy!**

To get our emotional glue setting correctly we need to provide our

team with ... **an emotionally secure environment and we do that in 4 ways.**

Let me show you.

- ✓ By providing an emotionally attractive belief, idea or goal for the team to aim for or to live up to.
- ✓ By behaving in a way our team members can trust *(there's that word again!)* respect and appreciate. *(These are all emotion based words and we'll look at what they mean in a moment.)*
- ✓ By only employing people whose contribution **we** can trust respect and appreciate. *(In other words ... NO HYACINTHS)*
- ✓ By only employing people who can trust respect and appreciate each other. *(It's those HYACINTHS again!)*

IMPORTANT POINT!

In many ways the words I've just written in the list above are the most important recession beating words in the book because they are the key to creating a happy staffroom, attracting value for money staff and loyal raving fan clients who don't complain and are happy to spend!

So, bearing that in mind I'd better say a bit more about them, hadn't !!

The first on the list was ... "By providing an emotionally attractive ideal or goal for the team to aim for or to live up to."

Understanding this takes us back to the earlier chapter about 'you' and the incredible power of '**Towards Motivation**' which, if you remember, is so much more effective in the long term than relying on the quick fix results you get from away motivation.

It's more powerful because it makes the most effective '**right now**' choices you can make, so obvious and the '**future you**' that you'll become is the result of your right now choices, isn't it!

Well the same applies to your team.

A Hyacinth free team which feels emotionally secure will have high '**Team-Esteem**' and a very positive '**team-image**' which means they'll be quite capable of making effective '**right now**' choices as a team and achieving positive goals. In other words high '**Team Esteem**' can take your salon in a positive, recession beating direction so it makes sense to make sure they've got something you all feel good about to aim for!

The next on the list was ... "By behaving in a way our team members can trust (there's that word again!) respect and appreciate."

This really is about any damaging bad habits you may have as an employer.

As a salon owner I have to admit there were 13 habits I used to have, that made it impossible for me to build high 'Team Esteem'.

It took a lot of soul searching to realise and accept that I was causing a lot of my own staff problems, but when I tackled my bad habits and improved my behaviour my team climbed the steps and was transformed.

Here are 13 questions you can ask yourself and answer honestly that will help you discover whether any of **your** habits might be

making it difficult for your team ... *just like they did for mine!*

The first question that you can ask yourself is - when you're in the salon, can you be selfish?

Do you put your own needs in front of the people around you? I'll just give you a second to think about that. When you're in the salon can you be selfish?

The next one – how guilty are you of having favourites amongst your staff?

Are you someone who shows favouritism between different members of your team? And it's honesty time, just ask yourself that question.

How guilty are you of talking about people behind their backs?

Let's say a team member makes a habit of ringing in sick, do you go into the staff room and moan about it to other members of staff?

How guilty are you of making promises to your staff that you don't keep?

Some employers are very guilty of just saying whatever they need to say to get over a problem and then they forget about keeping any promises they made.

How guilty are you of being intolerant, impatient or holding grudges?

Let me share with you a story about this. When I was working in my salon full time I used to be very grumpy and intolerant and I didn't realise it. Every morning I would arrive, go into my office and a different team

member would come in and talk to me about something ... anything!

I didn't know it at the time but they'd been sent to find out what sort of mood I was in that day, so they would know what they were in for.

Take it from me; if your emotional behaviour is inconsistent in the salon, it has an impact!

Next, are you judgemental? In other words, do you prejudge?

Do you go around judging people against your standards whatever they may be? Or are you fairly open minded and tolerant and accept that there are different schools of thought?

Are you guilty of bullying in any form?

There are some employers who get what they want by hectoring, haranguing, nagging and telling people what to do all the time. And they do it in a negative way.

Are you guilty of blaming others rather than sharing or taking responsibility?

Again, I've been guilty of this in the past. For example, one day it was very important that the computers in the salon were left on, because we had a problem with the hard drive.

I made a point of telling some members of staff not to turn them off. I then assumed that they'd pass the message round to everyone else. The thing is, they didn't ... and at the end of the day we lost a weeks'

worth of client records. When I found this out I had a few angry words with the person who'd turned the computer off.

Now I knew deep down inside it was my responsibility. I knew I hadn't made sure that everyone knew ... but that didn't stop me taking it out on someone else. Once I realised what I'd done I had to ring the team member up and apologise. If I hadn't, the whole episode would have festered ... because I wasn't being fair.

So do you see what I'm getting at?

Are you guilty of being inconsistent or unfair with praise and discipline?

We tend to take our good staff for granted. They're generating a lot of turnover for us, with a positive attitude and causing no problems, so we just let them get on with it and assume they know how we feel about them. Instead we tend to focus our attention on our problem people.

Big mistake!

Why?

Because what you focus on ... you get more of! Is that what you really want ... **more problem people!**

How guilty are you of having no measurement or feedback?

In other words, do your team know what's expected of them in terms of figures and production and do they know how they are performing relative to that expectation?

How guilty are you of not trusting?

Do you expect the worst from your staff or do you expect the best?

How guilty are you of not consulting or involving?

Do you just make the decisions and tell them ... this is how it's going to be? Or do you involve the team by getting their suggestions on how things can be improved or resolved?

And finally - you'll be relieved to know - how guilty are you of not listening?

*Your staff will be telling you things all the time, if you listen and as we saw in the last chapter, listening carefully to someone and proving it by repeating their words back to them in the form of a follow up question is one of the most powerful trust building things you can do. **Listening is an essential part of your emotional 'Team Esteem' glue!***

So I'm sure you can see how your behaviour might have a massive effect on your ability to create 'Team Esteem' and paying attention to getting it right is a vital part of the process.

Let's get back to the list and the third point was ...

"By only employing people whose contribution we can trust respect and appreciate."

We can keep this one short and sweet. Use the selection process we went through together earlier in the chapter to weed out any new Hyacinths before they take root.

What you'll be left with is a team glued together by trust, respect and appreciation.

The final point on the list was... *"By only employing people who can trust respect and appreciate each other."*

Let's imagine you've recruited well, you've **'managed'** the existing Hyacinths you had out of your salon and dealt with any personal bad habits that made it difficult for your staff to trust, respect and appreciate you.

Are you safe now ... can you relax?

You can ... sort of ... but **never** ever take the Hyacinth free status of your team for granted because it's highly likely at some point you'll notice your **'Team Esteem'** being tested by a change in the behaviour of one or more of your staff. If this happens it's your job to act ... **quickly!**

The behaviour of team members normally changes from being **'OK'** to **'Hyacinth'** in reaction to changes in the behaviour of other people. As I mentioned in the last section it could be **you** causing the problem by falling back into your bad habits. If it's not that then usually it's a change in the family or social circumstances of the person concerned. I've seen problems caused when a team member:

- * Meets an insecure new boyfriend/girlfriend who is desperate to take control of the relationship by splitting them from the group.
- * Comes to the end of a long term relationship which makes them question **'who they are'** and **'what their life is all about'**.
- * Suddenly has to cope with parents who split up or divorce causing a massive change in the home environment which is then reflected at work.

- * Suddenly has to cope with the bereavement or illness of someone close to them.

Don't be surprised if a massive change in a team member's life outside of work affects their behaviour at work ... Don't be surprised but do be prepared.

Be prepared to be supportive.

Be supportive, give them time to cope and/or recover, but **don't** let them off the hook. **They** are still responsible for their behaviour at work.

Do you remember in the chapter on 'You' we said ... **"s**t happens' and we all have a choice about how we respond?"**

- ✓ Some respond by becoming 'poor me' victims.
- ✓ Some respond by getting angry and taking that anger out on the people around them, either directly with confrontation or indirectly with gossip, backstabbing, manipulation, bullying or theft.
- ✓ Some respond by taking adversity on the chin and getting on with life.

Your team will normally respond incredibly well to a change or crisis in a member's life but if the new behaviour starts to cause damage to the team and their good will, you'll find the support and tolerance won't last for ever and when it starts to run out, **you** have to manage the situation.

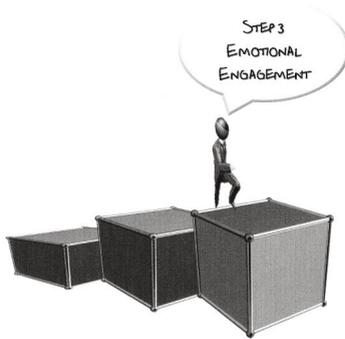
As much as you may want them to, your team won't do it for you ... they'll self-destruct instead, **which is the last thing you want.**

Now, I make no apology for spending so much time on this step of

the ladder, because it's where your team will stand or fall.

The good news is if you get this part right consistently ... **they'll take the next two steps quickly, easily and all by themselves!**

STEP 3 ... EMOTIONAL ENGAGEMENT.



As you'll discover, when your team members feel emotionally secure, trusted, respected and appreciated they start to feel like they belong, feel like they matter, feel they're important. **In a nutshell they feel emotionally engaged.**

On **Step 1**, when it was '**just a job**' all you got for the wages you paid were their arms and legs.

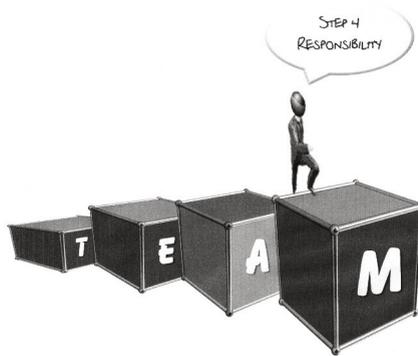
No passion ... No commitment.

On **Step 2** everything started to change because you introduced the glue of emotional security which means by the time you get them to **Step 3** and emotional engagement you're getting the passion and commitment of their hearts and minds thrown in for free.

Why free?

Because you pay them the same amount of money as **Step 1** employees, but they give you much better emotional value, **which is exactly what you need in a recession!**

STEP 4 ... RESPONSIBILITY.



Get them to this stage - *and remember it happens automatically once you get them past Step 2* - and your team will take responsibility for their performance and when they do that ... **YOU DON'T HAVE TO!**

This means '**The Team Esteem Staircase**' is your root to freedom.

- ✓ Freedom to expand your business when you want to, just by expanding your team.
- ✓ Freedom to spend as much or little time as you want in the salon.
- ✓ Freedom from worry about your staff dragging you down into the recession!

You get the freedom because they are taking responsibility.

You also get to be a brilliant boss!

Think about it.

Very few salon owners are going to be working with their team in the way that **you** are. The vast majority of your competitors will be getting **Step 2** wrong and this gives you a massive competitive advantage, especially in a recession.

Why?

Because staff turnover costs you money and **'Team Esteem'** creates loyalty. Your staff will stay loyal because they know they can't get what you're giving them anywhere else. Keep on being a brilliant boss and you'll also find good staff from other salons ringing you up to ask for a job. You'll get to the stage where you're spoilt for choice!

By the way, when the phone starts ringing with stylists or therapists who have clients to bring - *and it will when you get 'Team Esteem' right* - don't make the same mistake I did in your rush to get them into your salon.

I forgot my rules of recruiting and it cost me two years of Hyacinth problems and a lot of damage to my team ... so be warned ... **it's better to have no staff, rather than the wrong staff!**

Here's another important 'Team Esteem' benefit.

You don't have to spend most of your time **'managing'** your salon ... your **'responsible'** team will do it for you and they'll do it because they want to and I'll explain how and why in a moment.

Before I do, you need to understand that your job is to be the referee, the conductor or cheerleader for your team ... BUT and it's

a **BIG BUT**; just like the referee doesn't play in the game and the conductor doesn't play in the orchestra ... you are **not** to be a member of your team. You are friendly, you are professional ... **but you absolutely must be separate from your team.**

Why is this so important?

Because if you're the boss AND you're part of the team, it doesn't matter how well you delegate responsibilities, they'll delegate them back to you in the end ... because you're the top dog in the team, it all comes back to you. **It's just what happens.**

Your role is to provide the direction, the environment, the rules, and the equipment they need so **they** can manage **themselves** effectively. Do it right and the good news is self-managing people are a joy to work with. They take responsibility, they come up with ideas for making things better, you'll find you can delegate to them and they just get on with it.

I promised to explain why it happens and how to make it happen.

Why it happens is easy, it's simply because you've got them passed **Step 2** of 'The Team Esteem Staircase'.

The how to make it happen is a little more challenging and it's all to do with your salon rules, how you create them and how you referee them. You need to create a rule book, or a ... '**This is how we do it round here book**' as I like to call it, which, as you won't be surprised to know, is a **Step 2** task. This book is your secret weapon for creating emotional security and the glue it produces ... but **only** if you create it in the right way.

Doing it in the right way, means making the creating of the rules a team project that you referee or conduct rather than something you impose on them.

This gives them ownership of the rules and creates an emotional

attachment to them, but leaving them to do it without structure or supervision would be a recipe for disaster ... so this is what you do.

Preparation

- ✓ Arrange regular weekly team meetings for the foreseeable future at a time of the week when everyone is available.
- ✓ Make sure you have a white board or flip chart ready for use at each meeting.
- ✓ Make sure you have pens and paper ready for everyone attending each meeting.
- ✓ Have enough questions prepared to last the planned length of the meeting. (*I'll explain what the questions should be in a moment.*)
- ✓ At each meeting split your team into pairs - *or groups of 3 if you have a large team*. It makes sense to change the pairs or groups regularly to avoid '**meeting cliques**' forming.

Running The Meetings

- ✓ At your first meeting tell them that you're going to be working together over the next few months to create a new or revised set of rules for the salon and the good news is ... you'd like them to play a part.
- ✓ Explain you'll be looking to create the rules for all areas of the salon operation together and you really look

forward to seeing what they come up with.

- ✓ Get started by giving them a question about a rule to consider (*more on this in a second as promised*) and ask them to go off for 5 minutes in their pairs or groups to write down their thoughts or answers.
- ✓ After the 5 minutes is up, get everyone together again and ask each pair/group what they wrote down.
- ✓ Write all their answers on the white board/flipchart. Don't judge or comment on what they've given you until you've got everyone's answers ... just thank each pair/group and move on.
- ✓ When all the answers are on the board, look through them to see if any of the suggestions for rules would be unaffordable, illegal, or could, from past experience cause problems. If the answer is yes, explain the problem, thank the pair/group again for coming up with the idea, then cross it off the list.
- ✓ Now go through the answers that are left and ask for opinions about which rule would work best, or ask if 2 suggestions could be combined to make something better. Normally what happens is that a healthy discussion begins, the right answer quickly becomes obvious and agreement is reached.
- ✓ If you have deadlock or no agreement, ask everyone to put all the options into their order of preference and give 3 points to their favourite, 2 points to their second choice and 1 point to their third.
- ✓ Count up the points each option scores and you should have a clear winner.

- ✓ Tell everyone you'll get the new rule(s) typed up neatly in time for next week's meeting.
- ✓ At the next meeting get everyone to check what's written is what was decided and sign their name to agree to abide by the decision.
- ✓ The rule then goes into the ... '**This is how we do it round here book**' and you move on to the next one.

Using this format for your meetings really gets your staff involved and bit by bit it becomes their rule book, they take ownership for managing and operating the salon and they really start to trust respect and appreciate you and each other. It really is your secret weapon!

Now I promised to tell you more about the questions. You need questions that create rules for what I call the 3 journeys.

1. **The Clients Journey.** *What rules do you need to make sure every aspect of a client's visit to the salon is a positive experience?*
2. **The Staff's Journey.** *What rules do you need to make sure that every team member's rights are respected, contribution is measured and appreciated, and problems and disputes are resolved quickly and fairly?*
3. **The Salon's Journey.** *What rules are needed to make sure the salon is always clean, well maintained, kept up to date, safe to visit and to work in?*

The questions need to be framed as open questions so they are easy to think about and answer. Here are 30 sample questions I've used with a lot of success to give you an idea of how to go about it.

You'll notice that many of the questions will give your team the option of coming up with several rules at the same time, which makes them even more cost and time effective.

THE 30 QUESTIONS.

1. *How do we make sure the phone is answered within 4 rings?*
2. *How do we make an instant connection with callers when we answer the phone?*
3. *How do we make visitors feel welcome when they arrive at the salon?*
4. *How do we protect a client's clothes at all times?*
5. *How do we do a consultation so a client consistently sees the possibilities they have and feels comfortable making a decision?*
6. *How do we make the shampoo experience unforgettable for clients?*
7. *How do we keep the salon clean, organised, and inviting all the time?*
8. *How do we make sure that the gowns and towels are fresh and always look new?*
9. *How do we make sure the salon temperature is always comfortable?*
10. *How do we make sure the salon smells nice?*
11. *How we make sure salon sounds right?*
12. *What do we want to specialise in and become experts at?*

CHAPTER 4 - YOUR TEAM ... PART 2

13. *How do we make sure we never keep a client waiting?*
14. *How do we make sure visiting the salon toilet is a delight?*
15. *How do we make sure clients will be happy to refer their friends and family?*
16. *How do we make sure a client books her next appointment when she leaves the salon?*
17. *How do we make sure that clients have the right information, training and support so they are comfortable buying professional products to maintain their style?*
18. *How do we make sure that our clients are kept informed of all the news, information and offers we want them to know about?*
19. *How do we make sure a client doesn't forget her next appointment?*
20. *How do we make sure that new clients come back again and again?*
21. *How do we make sure we never run out of stock?*
22. *How do we make sure we don't waste stock?*
23. *How do we make sure that stock isn't stolen?*
24. *How do we make sure we always have enough staff available?*
25. *How do we make sure that everyone is always busy with something worthwhile to do?*
26. *How do we make sure everyone gets the training and support they need to grow their client base enjoyably?*
27. *How do we make sure that any client or team member*

who is unhappy has the chance to talk about their problems and get them sorted?

28. *How do we make sure staff holidays are organised fairly?*

29. *How do we make sure that team members who don't stick to the agreed rules are dealt with firmly but fairly?*

30. *How do we make sure that team members who produce exceptional performance are recognised and rewarded?*

Remember there are plenty of other great questions you can come up with - *these are just a guide for you* - and when your ... 'This is how we do it round here' book is complete and your 'Team Esteem' is well glued together, you'll have an efficient, effective, easy to run salon ... **that's emotionally equipped to beat the recession.**

CHAPTER 5

YOUR PROFIT.

It's time to move our recession beating focus away from you and your staff and pay attention to your relationship with profit instead. Profit is a slippery customer. We can't survive without it, but most of us learn the hard way that making a profit consistently isn't the easiest thing to do, even when the economy is strong ... **so I want you to spend a few seconds imagining just what's happening in salons, now there's a recession to beat!**

If you're imagining a lot of worried people working very hard to attract new clients and hang on to existing clients, you'd be right. Their focus is on keeping the money coming in, so they can pay the bills that never seem to go away and ultimately ... **survive another year in business.**

But is focussing on survival the right thing to do?

If we asked teenager **Vicky Pollard** from the massively successful TV series **Little Britain** this question she'd say ... **"YEAH but NO but YEAH but NO."**

And the amazing thing is she'd be right!

YEAH; because attracting new clients and hanging on to the clients



YEAH BUT NO BUT YEAH BUT NO

you've already got will **always** be important, but **NO**; because the focus on survival makes far too many salon owners look in the wrong place for the answers to the challenge of beating the recession.

What do I mean?

I mean that chasing turnover costs money! Think about it. Every time you advertise, it costs you money. Every time you offer a discount, it costs you money. Every time you give away a FREE service or gift ... **it costs you money.**

It **does** cost you money; but generating extra turnover using powerful marketing **is** an essential part of running your business, especially in a recession - *and it's so important we'll be devoting the whole of the next chapter to it* - but you have to remember, it **only** makes sense to spend that money ... **when you've got a decent profit margin to pay for it.**

Sadly that's exactly what most salon owners don't have.

A DECENT PROFIT MARGIN.

They don't, simply because they don't plan for it, or set it as a goal. They believe that getting busier and busier is the answer ... **but if you're busy giving your profit away, it's not the answer.**

Getting busy working **smarter** ... is the answer!

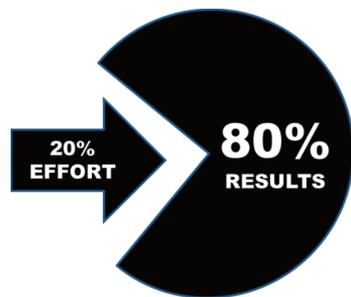
A few days ago I was talking to the owners of a very busy Spa.

On the surface everything looked healthy. They've got great facilities, top notch service and an excellent reputation. If you were to visit the place you couldn't help but be impressed with what they do and how they do it; but the truth is they've been making the mistake we've just been talking about for years. Working harder and harder, chasing turnover with aggressive marketing ... **without making sure they had the profit margin to pay for it.**

Because of this they'd only ever made a tiny profit and in the current climate even that was at risk, which was why they decided to talk to me; so the question is ... **what could they do?**

I introduced them to a simple idea that has the power to transform any salons ability to make a profit, by working smarter.

It's called the **80/20 rule** ... or the **Pareto principle**, which says that, for many events, roughly **80%** of the effects will come from **20%** of the causes. Put like that, it doesn't sound much, does it, so you may be wondering ...



why is it a simple idea that has the power to transform any salons ability to make a profit?

It's actually an easy question to answer, because when it comes to your salon it means:

- ✓ **80%** of your profits will come from just **20%** of the services on your price list.
- ✓ **80%** of your profits will come from just **20%** of your clients.
- ✓ **80%** of your profits will come from just **20%** of your staff.

This means you need to be able to identify:

- ✓ Your profitable services.
- ✓ Your profitable clients.
- ✓ Your profitable staff.

Once you've done it you **can** change many things.

- ✓ You can change the services on your price list.
- ✓ You can change the price you charge for things.
- ✓ You can change the products you choose to promote and market.
- ✓ You can change how you treat and reward your clients.
- ✓ You can change how you treat and reward your staff.

Change your focus to the profitable **20%** of **everything** you and your team do ... and the effect on your profit **margin** will be amazing. The good news is, the information to help you find the

profitable **20%** of everything is in your salon computer system, your salon price list and in your accounts and I'll show you what to look for in a minute.

Before I do, you need to know that the spa I mentioned isn't the only business to benefit from this lesson, there are many others.

For example two lovely girls who run a beautiful salon in Aberdeen were at their wits end. Their whole team was booked solid, working all the hours they could ... **but they weren't making any money.**

They came on one of my courses and learned about the 80/20 rule and how to apply it. They were so excited by the possibilities, they knew they had to take action and didn't want to waste time losing more money and making more mistakes. To solve their problem they asked me to become their coach. I said yes and helped them build the 80/20 rule into their business.

Over the next year (2011) their salon profits shot up by £30,000!

Now you know that what you're about to learn - *or be reminded of* – will work for you, which is great. Just remember it will **only** work for you if you use it. So the big question is ... **what would it take to get you out of your comfort zone and start taking action?**

Some recent research has shown that:

- ✓ If you read about an idea in a book like this and think ... **"that's good"** the odds of you taking action and using it are roughly **10%**
- ✓ If you take the idea and make a **decision** to try it, your chances of taking action improve to **25%**
- ✓ If you make a **decision** and set a deadline, your odds improve to **40%**

- ✓ If you make a decision, set a **deadline** and come up with a plan to follow, they improve to **50%**
- ✓ If you make a decision, set a deadline and come up with a **written plan** to follow, they improve to **60%**
- ✓ If you make a decision, set a deadline, come up with a written plan to follow and then share it with someone you trust, like a **coach or a mentor**, who will hold you to account ... your odds of being successful increase to **95%**

Knowing the simple fact that, *making a written plan and then sharing it with someone you trust, who'll hold you to account*, increases your odds of success dramatically, makes it obvious why I enjoy coaching and mentoring salon owners **just like you**, doesn't it! Who wouldn't enjoy the fact that great results are **95%** guaranteed ... **and your success is my success!**

Now, do you remember a few moments ago I said ... 80% of your profits will come from just 20% of the services on your price list?

Well it's true and it happens because very few salon owners create their price list with profit in mind. Instead they look at their competitors' prices and work round that, don't they. When you're trying to beat the recession this is a **dangerous** thing to do because, without realising, you can easily create a price list full of '**Profit Vampires**' and because they only come out at night you won't even see them eating up your profits and sucking the life blood out of your business!

Come on Simon ... **Profit Vampires** eating up your profits while you can't even **see** them!

I wouldn't blame you if you thought I was being a bit dramatic, but the fact is, I'm not. Profit Vampires do exist and to prove it I'm

looking at the **waxing section** of a real beauty salon price list right now and using a simple formula I'll explain in a minute, **I can see something which should scare all of us!**

Let me show you why.

If the salon owner who created this price list had two beauty therapists, both fully booked waxing clients for a 39 hour week you'd presume they'd each take roughly the same amount of money, wouldn't you.

If one was doing 'Brazilians' and the other doing 'Underarm' waxing ... you'd presume wrong! Based on this real price list:

- * The Underarm waxing therapist would take ... **£772.20**
- * The Brazilian waxing therapist would take... **£1942.20**

That's a difference in turnover of £1170 and a difference in profit of about £900 working the same hours, doing very similar work and that £900 is being eaten by the Profit Vampires ... OUCH!!!!!!

Please don't think this only applies to beauty salons. I've got a typical hair salon price list here as well. If this salon owner had two stylists, one doing children's cuts and the other doing full head colours for 39 hours the difference would be:

- * Children's cuts turnover ... **£585**
- * Full head colour turnover ... **£1755**

That's also a difference in turnover of £1170 and profit of about £900 The profit vampires strike again ... DOUBLE OUCH!!!

Now let me emphasise this point, I can count on the fingers of one

hand the number of salon price lists I've looked at which **haven't** been infested with profit vampires ... this is why the 80/20 rule is so powerful!

OK. If you remember, a few moments ago I promised to explain the simple formula you can use to check your price list for profit vampires ... it's called the **Pence Per Minute Formula**. This is what you need to do.

Get a copy of your price list.

Next to the price of every service on it I want you to write the number of minutes you **book out** for the service.

Finally get a calculator and go down your price list dividing the cost of every service by the number of minutes you book out and write the pence per minute next to each price. Just to be clear the formula is:

Price ÷ Minutes Booked Out = Pence Per Minute Charged

To make it even clearer, here are the pence per minute calculations for the examples I gave you a few moments ago.

Underarm wax £10 ÷ 30 mins = **33 pence per minute**

Brazilian wax £25 ÷ 30 mins = **83 pence per minute**

Children's cut £5 ÷ 20 mins = **25 pence per minute**

Full head colour £45 ÷ 90 mins = **75 pence per minute**

By the way, when we're talking in '**pence**' and '**minutes**' the differences don't sound a lot, do they. A few pence here, a few minutes there, as long as we're busy ... **so what!**

IMPORTANT POINT!

You need to make sure you've learned the 'so what' lesson. When you have busy staff doing the wrong things on your price list, for hours, days or weeks at a time ... the differences can turn out to be ... extremely "bloody" because of the profit vampires!

You're probably thinking; that's fine as far as it goes Simon, I understand what you're saying, but how do I know where to set my pence per minute to avoid the profit vampires?

Here's a simple formula to help you calculate the **minimum** pence per minute figure you should allow on your price list. I stress minimum because there **is no maximum** ... if the market will stand it, you should charge it and I'll explain why in a minute.

Here's the formula:

- ✓ Take your target turnover for the year.
- ✓ Divide it by 39 weeks. (*Using 39 rather than 52 weeks, allows for holidays and quiet days/times because your salon will **never** be fully staffed or fully booked every day.*)
- ✓ Divide the answer by the number of hours a full time stylist/therapist works for you.
- ✓ Divide the answer by the number of full time stylists/therapists you have. (*If you have part timers, add up all their hours and divide the answer by the number of hours **one** full timer does then add the answer you get to your full time total.*)
- ✓ Divide the answer by 60 (*minutes in an hour*).

And the final answer you get will be your **minimum** pence per minute. Base your price list on that as a minimum, keep reasonably busy and your salon will hit your target ... **guaranteed!**

Let me give you an example of how this formula would apply to a typical medium sized salon.

Let's assume we're looking at an annual target of **£300,000** with **3 full time stylist/therapists** working **40 hours a week** and **3 part timers doing 25hrs, 24hrs, and 21hrs.** (*Added together the part time hours = 70. Divide 70 by the 40hrs the full timers do and your 3 part timers do the equivalent hours of 1.75 full timers. So your final total of full timers would be 3 + 1.75 = 4.75.*)

Now, with all the answers rounded up or down to the nearest full pence as you go along, the calculation would look like this.

$$\begin{aligned} \text{£}300,000 \text{ annual target} \div \text{39 weeks} &= \text{£}7692.31 \\ \text{£}7692.31 \div \text{40hrs a week} &= \text{£}193.31 \\ \text{£}193.31 \div \text{4.75 full time stylists} &= \text{£}40.70 \\ \text{£}40.70 \div \text{60mins} &= \text{68 pence per minute} \end{aligned}$$

I promised to explain why this figure should only be a minimum and you should charge more where you can, didn't I. Well, the reason goes back to the beginning of the chapter, when we said: 'Every time you advertise, it costs you money. *Every time you offer a discount, it costs you money. Every time you give away a FREE service or gift ... it costs you money.*'

If you focus your special offers on the items with lots of extra built in profit, because their pence per minute is well above your minimum, you can afford to run your offers because you will have the built in extra profit margin to do it. Does that make sense?

Also it pays to become a salon that '**specialises in**' and becomes '**recognised as expert**' in the services with a high profit margin. When you do that successfully you'll find your profits going through the roof because of the '**low cost**' and '**no cost**' benefits of '**word of mouth**' marketing. In other words become an expert or specialist in the high profit services and you won't even have to spend some of the profit on attracting and keeping new clients, your '**word of mouth**' reputation will do it for you!

Now, whenever I share the '**pence per minute**' formula with salon owners, there's a question that always comes up, and it's this. "When I've worked out my minimum price for (*then they name a service*) it comes to (*then they name the price*) which is more than my clients will pay."

There are 3 answers to this question.

1. **That's not a problem.** The higher price will choke off a lot of demand but the few you still do will be so much more profitable you won't lose out.
2. **Keep prices close to where they are and allow less time instead.** As you've probably worked out by now ... '**time is money.**' You'd be amazed by how much the pence per minute you can earn shoots up when you shave 5 or 10 minutes off the time allowed for a service. The fact is, the time you take to do it now **is just a habit**. There will be plenty of salons charging similar prices doing the same service in **less** time. It's just a decision, then some planning, followed by practice, practice, practice. Soon new habits are formed and your profits go up.
3. Do nothing. If you take this option you need to realise it's probably a sign of low self-esteem and limiting beliefs;

but if you insist on doing nothing, at least make sure this is a service you **NEVER EVER** discount ... **all that does is make a bad situation worse!**

So now we understand how the 80/20 rule applies to our price list, the next question has to be ... how does it apply to our clients?

Do you remember we said that 80% of our profits will come from 20% of our clients? Well it's true and for proof you'll find the best place to look, is on your salon computer system. By the way I'm often asked which system I use and whether I'd recommend it, or not.

The answer is I use the Memento system from Phorest. In my experience the system is brilliant for salon marketing, the training is excellent and the support has been exceptional. Memento is the 5th system I've used, so I've plenty to compare it to ... **and yes, I'd recommend it. You can find out more if you're interested at www.phorest.com.**

Anyway, back to our profitable clients.

I'd start by selecting a list of your top 500 clients, by spend, for the last year. When you look at it you'll probably see the typical salon pattern, which consists of a group of clients at the top who are your big '**Spenders**'.

Next you should be able to identify a larger group of '**Typical**' spenders.

Finally you'll see the largest group of all, as your client spending figures dribble slowly downwards in ever decreasing amounts to form what's called a '**Long Tail**' of small spenders. These are your '**Long Tail Dribblers**' and you want to avoid them if at all possible!

Why avoid them if at all possible?

IMPORTANT POINT!

Because they'll take 80% of your time and only give you 20% of your profits!

Bearing that in mind, the important question is ... should you treat all your clients the same, or should your 'Spenders' be recognized and rewarded in some way?

I don't know what your answer will be ... but I do know what it should be!

Of course you should make a fuss of and recognise your best customers. Give them flowers from time to time, hold an annual party for them, or take them out to dinner. Invite them to focus groups and listen to what they have to say. Give them a proper V.I.P. club to belong to ... **Do whatever it takes.**

Why?

Because you're far less likely to lose them if you show you appreciate them, aren't you and they are bringing you the majority of your profits!

There's another benefit as well. If you make your fuss publicly, other clients will know what you're doing and some of them will be attracted to join in and the only way they can do that ... is to spend more, which is **exactly** what you want.

To sum it up, following the '**make a bigger fuss of your best clients**' policy achieves three things:

1. Your big '**Spenders**' stay loyal for longer.
2. Your '**Typical**' spenders aspire to join the big spender group.
3. Your '**Long Tail Dribblers**' either get more involved or go away and eat up someone else's profits.

Whatever happens ... your profits go up.

The final piece of the 80/20 profit jigsaw was that **80% of your profits will come from 20% of your staff**. Again it's very likely to be true and there's another simple formula that will help you identify who the '**good guys**' are, because as you'll see more clearly later in the chapter ... **in a recession you can't afford to carry passengers**.

The formula you should apply to all your productive staff is this:

Turnover divided by Hours Worked (*deduct holiday/time off sick/unpaid leave etc*) **divided by their hourly target** (*4 times their basic hourly rate is widely used*) ... **then press the % key ... which gives you their % performance against target.**

So let's assume you have a stylist/therapist who has taken **£4500** in a month, (*by the way I'm using a month as an example ... the formula works just as well over a day, a week, a month, or even a year*) worked **180** hours and their hourly target is **£30** (*£7.50 per hour basic pay x 4 = £30 per hour target*)

The sum would look like this.

£4500 turnover ÷ **180** hours worked ÷ **£30** then press the % key and the answer is **83.33%**

Which means; they only reached **83.33%** of their months target

and are probably costing you money!

Now applying the formula to one person is only the beginning ... I go further ... much further. I want my **whole** team to **average** 100% and for that to happen the experienced ones have to be averaging comfortably **over** 100%, because any new or recently qualified people will inevitably be below target while they are building and they'll be dragging the team average down.

By the way there's a massive difference between someone at **83.33%** who's actively growing their turnover and will soon reach target and someone who's stuck at that level and not making progress.

The way you'd work with each one would be very different.

The '**grower**' will respond to '**towards motivation**' because they can see what they are aiming for, believe they can do it and they want to get there. For them encouragement and rewards will work well.

The '**sticker**' by contrast is someone who has reached their natural level and if you leave them alone, that's where they'll stay. Plodding along; costing you money. **More fool you if you accept that situation, or believe there's nothing you can do about it.**

These people need '**away**' motivation. You need to turn the comfort zone where they are living into a '**discomfort zone**' by having regular meetings and explaining in calm non-judgemental language that their current level of performance is below the standards required and if it continues ... **their employment won't!**

Be fair. Give them an achievable goal and a reasonable amount of time to achieve it. Measure their progress with weekly meetings if needed. Praise progress but be prepared to carry out your threat if

they don't reach target by the deadline ... **don't make the mistake many salon owners make of letting things drift.**

By the way I'm not a lawyer so I don't 'do' legal advice. The process I've just described is, as far as I'm aware, legal in the UK as long as you are clear, consistent and fair with your staff. If I were you though I'd belong to an organisation like the **Federation of Small Businesses** or the **National Hairdressers Federation** both of which provide free legal advice and indemnity as part of their membership package.

As a member ... whenever you have a problem you can make a quick phone call before following the **exact** instructions you're given. Do this and should the problem end up 'going legal' further down the line, you're covered.

That's all we have time for on the 80/20 rule in this book, but the truth is we could write a lot more and still not cover every application for your salon. Just remember that every journey starts somewhere and on your journey to beating the recession the 80/20 rule is a very good place to visit!

Now; so far we've looked at improving productivity by working smarter using the 80/20 rule as a guide, but there's another important part of the profit puzzle and that's to ... **ruthlessly control your costs by demanding and expecting Value For Money for every penny you spend.**

Why?

Because every pound you save, is yours. You've got the lot. No costs. No tax. No wages. No stock ... **NOTHING ... it's all extra profit.**

On the other hand ... every pound of additional turnover you **generate is riddled with costs, which means very little of it is profit.**

This means the fastest, most effective way to recover lost profits and beat the recession is **always** going to be by getting maximum value for every penny you spend.

By the way, if you're not based in the UK and your currency is Dollars or Euros instead, you've got the same challenges and everything we're talking about applies to you as well.

So getting value for money is the name of the game, but we have to do it in a way that's sensitive to our client's expectations and respects the prices we charge. **To do anything else would be like writing a suicide note for your salon, wouldn't it!**

Let's assume you've got the point and move on.

If we're going to control our costs and get value for money, we need to be planning and measuring our spending and the best way to do that is by budgeting ... **which isn't something that comes naturally to most salon owners, is it!**

Because of this I try and keep it simple.

For example, contrary to what most accountants do, I always work with VAT **inclusive** figures when I'm budgeting.

Think about it.

When you write your suppliers a cheque **VAT is included**, isn't it. When you send **HM Revenue and Customs** a VAT cheque once a quarter you're paying out of your bank account, aren't you. This means, in my non accounting opinion, it's far easier to budget for and measure what's **actually** going in and out of your account, rather than trying to make sense of '**adjusted**' figures that don't match your bank statement.

It's also important, when we're budgeting to remember there are only 100 pence, or cents in the Pound, Euro or Dollar ... **No matter**

how many you wish there could be.

This means we have to split every pound that we earn into 100 pence and then budget how many of those pence we can afford to spend on different items.

To keep it simple I break my 100 pence budget into the following groups and targets for my salon.

- ✓ **Profit** (My normal target is a 20% operating profit.)
- ✓ **VAT** (In the UK the average real cost of VAT to your business after you've claimed back what you can is 13%)
- ✓ **Wages/NI** (My target is 40% including the owners salary.)
- ✓ **Stock** (My target is 14%)
- ✓ **Rent/Rates** (My target is 5%)
- ✓ **Sundries** (Everything else we need to run the business and my target is 8%)

By the way ... Did you notice that profit was at the top of the list?

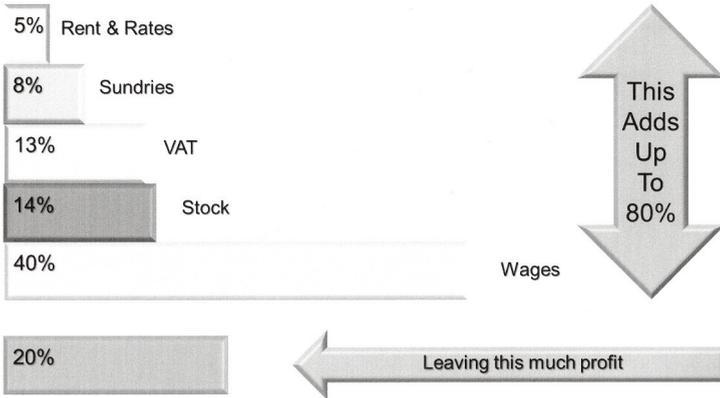
It's there because it should be non-negotiable. To beat the recession we have to make a profit, which means we have to plan and budget for it ... **end of story!**

Going back to my groups and targets, did you also notice that **20%** profit and **13%** VAT add up to **33%** leaving me with **67%** to pay for everything else? It has to be like that.

The VAT is non-negotiable, isn't it, and the profit as we've just seen **should** be non-negotiable which means, as much as we may want more ... until the chancellor cuts VAT ... **67 pence is all we've got.**

CHAPTER 5 - YOUR PROFIT

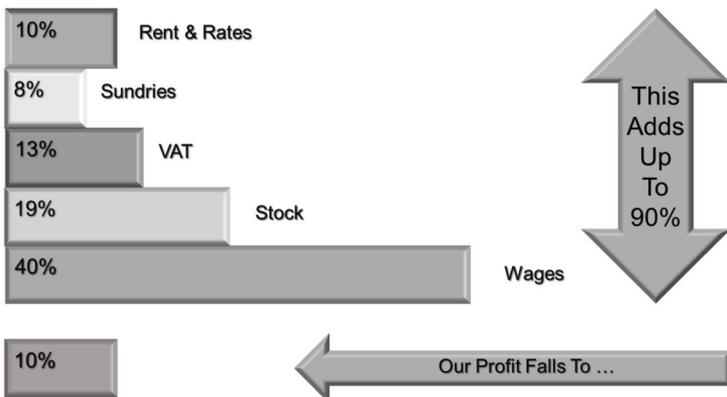
It might help to see my figures in a bar chart to make them clearer.



Sadly figures like these are not very common. Instead of making 20% operating profit the average salon struggles to make 5% after the owner has paid themselves properly, so why does this happen?

It happens because costs are not being measured and controlled as well as they should be and when they slip even just a little, it's amazing how quickly the profit picture can change.

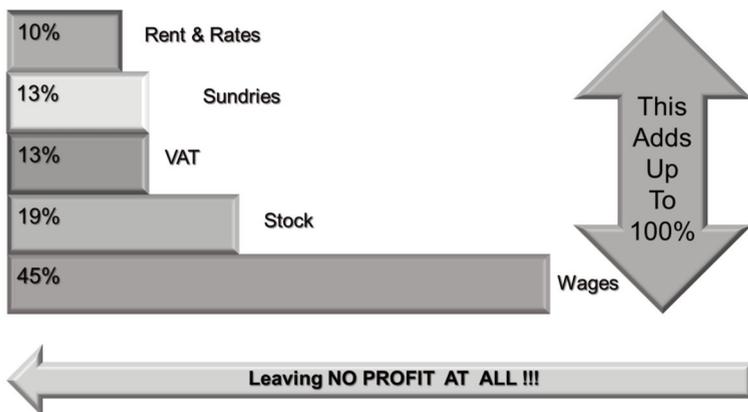
Let me show you.



In this example a **5% overspend** on rent and rates and a **5% overspend** on stock has slashed the profit margin to **10%**, which doesn't sound too bad until you realise ... **turnover would have to double to make the same amount of profit as before!**

Now, the sad fact is it's rare to see only some of the costs get out of control ... **normally if the budget's going to slip it will slip on everything.**

So what does the picture look like when that happens?



In this example the salon owner is only overspending by **5%** on the four target areas, which doesn't sound a lot but the fact is **4 x 5% = 20%** ... which means their profit has gone completely and they're working for **NOTHING!**

So the lessons we can learn from these examples are simple.

- ✓ **No matter what business you're in there are only 100 pence or cents, in the Pound, Euro or Dollar.**

- ✓ **Decide how many pence are going to be profit and make it non-negotiable.**
- ✓ **Make sure you budget for the net cost of VAT as well.**
- ✓ **Whatever is left after profit and VAT are deducted is what you've got left to run your business. (67% is the target if 20% is your target profit.)**
- ✓ **It doesn't really matter how you split up the 67% as long as your percentages add up to 67%. If they add up to more, it comes out of your profit, which as we've seen can rapidly shrink away to nothing!**

In case you're wondering, here's an easy way to work out your percentages using a calculator. Take wages, for example. You'll need your wages cost and your VAT inclusive turnover for the **same** period.

Now; enter your wages cost into the calculator and press the ÷ symbol; next enter your total turnover figure and press the % symbol and there's your answer!

So for example; if your wages were £87,000 and your turnover was £153,000 your calculation would look like this.

87,000 ÷ 153,000 then press the % key = 57%

There's one more thing we need to pay attention to in this chapter. It's something that should be simple but many salon owners struggle with it.

What am I talking about?

I'm talking about ... **MANAGING YOUR CASHFLOW!**

There's a saying I use a lot which puts everything into perspective and whenever I get a group of salon owners together to talk about money I get them to stand up, form a circle, hold hands and scream this saying at the top of their voices ... **5 times!**

It's a good way of making it memorable, isn't it, and we need to make it memorable because it's that important. It's that important because 'running out of cash' kills more salons than any other single reason.

It's so important I want you do the exercise too ... so make sure you're alone, - *we don't want anyone thinking you're going loopy, do we* - and try it yourself.

Try saying out loud ...

- ✓ "Turnover's vanity, profit is sanity and cash is king!"
- ✓ "Turnover's vanity, profit is sanity and cash is king!"
- ✓ "Turnover's vanity, profit is sanity and cash is king!"
- ✓ "Turnover's vanity, profit is sanity and cash is king!"
- ✓ "Turnover's vanity, profit is sanity and cash is king!"

So the lesson is ... **MAKE SURE YOU NEVER RUN OUT OF CASH!**

You're probably thinking, that sounds great Simon ... but how?

Well start by having 3 bank accounts.

1. Your personal account.
2. Your business account.
3. Your high interest business savings account.

Next ... As an **absolute** rule keep your personal and business spending apart. It's a huge mistake to get your personal and business spending mixed up, because you never get a clear picture of what's yours and what isn't.

It's also a huge mistake to keep all your business funds in one account because it lulls you into a false sense of security thinking things are OK, there's money in the bank ... **until your wages bill, your VAT bill, and your personal or corporation tax bill all become due within a few days and you haven't planned for it.**

Then suddenly you can be in trouble ... **BIG TROUBLE.**

Because of this it makes sense to take 33 % of your turnover each week and put it in your high interest savings account and find a way to run your business with the rest.

Why 33%?

Do you remember earlier we said we want 20% profit and VAT costs you 13%? Add the two together and you get 33% which leaves 67% which is the salon budget I suggested you aim to keep to.

If the 33% is safe in another account you can pay your VAT bill when it comes; no problem. You can pay your personal or corporation tax bill when it comes, *(which you should pay out of your profits)* no problem. If you find you have to keep dipping into your high interest savings account to pay other bills - *like wages for example* - you're getting an excellent early warning

system that your profits are under attack and you need to do something about it!

The truth is, that when it comes to cash flow problems salon owners fall into two general groups.

For some, lurching from one cash flow crisis to the next is normal; it's just how they do things. If this is you then sadly you deserve no sympathy, in fact you deserve every sleepless night you get. We're back to chapters one and two. You are responsible and managing your cash is something you can delegate if it's not one of your strengths!

The other group who have problems **don't** make a habit of it, they get mugged when they're not expecting it, normally because their costs go up and their profit margin goes down. Relying on your accountant and your annual accounts to sound the alarm that this has happened is risky because the by the time you realise ... **it's too late.**

That's why creating a separate high interest savings account, which can give you a 'built in' early warning system is so useful.

OK. I think that's enough on formulas, profit, budgeting, cash flow and margins, don't you. If you're anything like me your brain is probably fried by now, because we're not accountants, are we!

Anyway, at least we now know what happens when we work smart by:

- ✓ Employing the right people.
- ✓ To provide the right services.
- ✓ To the right clients.

CHAPTER 5 - YOUR PROFIT

- ✓ With a budget that has 20% profit built in.
- ✓ And we manage our cash properly.

We know we can beat recession, don't we!

CHAPTER 6

YOUR 'JOINED UP' MARKETING.

In the last chapter we learned the importance of working smart, using the **80/20** rule, which showed us that 80% of your profits will come from 20% of your services. This meant, by focussing on your profitable services you'd be in a better position to pay for your marketing ... **which is good news, isn't it.**

We also learned that 80% of your profits will come from 20% of your clients.

We learned how to identify the top 20% clients, using your salon computer ... we called them the '**Spenders**' and decided to focus on keeping them happy and getting others to be like them, didn't we.

Bearing this in mind; you won't be surprised to know that the focus of this chapter - *about recession beating marketing* - is going to be locked on to finding and keeping those profitable ... '**Spenders!**'

If you can find a way to do this you'll discover you've got an amazing advantage over your competitors, because most of the marketing they're doing only attracts the '**Long Tail Dribblers**' who'll spend a bit of money ... **but not enough to be recession beating.**

The secret to attracting new clients and turning enough of them into 'Spenders' is understanding and using ... **'Joined Up' Marketing**. When you get it right you'll find your 'Spenders' turn into raving fans who will spread the word for you by word of mouth; **the oldest, cheapest, and most effective marketing there is!**

This means we're **not** going to focus much on writing adverts and promotions. You learned the formula for doing this in the recruiting chapter, didn't you.

Do you remember A.I.D.A. ... Attention, Interest, Desire, Action?

- ✓ **Attention:** Come up with a powerful headline, to grab the attention in a way that makes the reader recognise themselves or their problem.
- ✓ **Interest:** Generate interest by showing your reader you understand them and have an answer to their problem.
- ✓ **Desire:** Build the desire by showing your reader what life will be like if they use your solution ... **but they need to act quickly because the opportunity is limited.**
- ✓ **Action:** Tell them **exactly** what they've got to do to get what they want ... **and remind them to act quickly because the opportunity is limited.**

This formula is great. It gives you a step by step structure for writing effective adverts, texts, e mails and articles for Facebook, plus your website and newsletter. But we're not going to focus on it anymore, because it's not the difference that's going to make the difference to your marketing in a recession.

Why not?

Because; used on its own A.I.D.A. will only lead to more 'Long Tail Dribblers!'

Neither are we going to focus much on the fact that all your marketing material needs to be '**client focussed**' rather than '**salon focussed**' because unconsciously all any of us really think about when we're '**exposed**' to marketing is ... '**What's In It For Me.**'

Salon focussed marketing material says things like:

- * "We've been in business for 25 years" ...
- * "Our team is well trained" ...
- * "We only use top quality products" ...

Client focussed marketing material says things like:

- ✓ *"You're going to love the fact that we've been in business for 25 years, because it means you're in experienced hands and we know how to take care of you!" ...*
- ✓ *"You can relax, safe in the knowledge that our team is well trained in the art of giving you exactly what you want." ...*
- ✓ *"You're only human, aren't you and it's human to want the best ... we agree! That's why we'll only ever use the best products on your hair and skin." ...*

Can you see; the same facts were presented with a **different** focus and it's a powerful difference, isn't it. But again, it's not enough, because on its own '**client focussed copy**' will only attract '**Long Tail Dribblers.**'

We're not going to focus much on how to make your marketing visually eye catching, using the **C.R.A.P.** formula, either.

In case you're wondering ... **C.R.A.P.** stands for **Contrast, Repetition, Alignment, Proximity.** (*Apologies for the unfortunate acronym, but it does make it memorable!*)

- ✓ **Contrast:** Choosing contrasting fonts and colours (*or tones if you're not using colour*) for your headlines and body copy makes it more readable. Have you noticed I've used contrast at the beginning of each chapter in this book?

- ✓ **Repetition:** Repetition makes things memorable. If you want people to notice and remember something, it's important to repeat it. Have you noticed how I've often repeated things throughout this book? It hasn't happened by accident!

- ✓ **Alignment:** This is just a posh word for saying ...
"make sure things line up." The
eye loves following a line and even if it's
something as simple as
justifying
your text to give the eye a straight edge to follow
down
the page, it makes a difference. Can you
see
that this unaligned section is harder to read than
the others?

- ✓ **Proximity:** When you're creating a visual ad rather than just text. Items that relate to each other should be grouped close together. This helps to organise information and gives the reader a clear structure.

CHAPTER 6 - YOUR 'JOINED UP MARKETING.'

I could go on, but I'm sure you've got the point. All these different techniques that we're **not** going to focus on much in this chapter, are powerful.

They **will** make your marketing more effective when you learn to use them properly ... but it only makes sense to do that **after** you've understood the principles of 'Joined Up' Marketing.

Why?

Because, it would be like trying to complete a jigsaw, without a picture on the lid. It's only when you've got the picture to check against that you'll realise what's missing and how the pieces are meant to fit together!

Just remember:

- ✓ If you're going to understand how to create an attractive client experience and deliver it **consistently** ... you need 'Joined Up' Marketing.
- ✓ If you're going to understand how to catch a potential client's attention and **consistently** keep them involved, you need 'Joined Up' Marketing.

So let's get started!

Just imagine you've had a good business, you've been busy for years without really trying, but all of a sudden you're looking at your appointment book and it has too many gaps in it.

Or imagine you've recently opened your salon, but it's proving a little more difficult to attract new clients than you'd hoped.

Then imagine the phone rings and someone from a company like

Groupon; KGB; Wahanda; Catch The Monkey or Tickle to name just a few, is on the line promising to find you one, two, three or even four hundred new clients for little or no up-front cost.

It would be tempting, wouldn't it!

Just think of all those new clients you can impress. Think about a promotion with little or no **'up-front'** cost that appears to pay for itself with the **'life time value'** of the profits the new clients will bring. *(In case you've not heard of lifetime value, it's the total value of the profit you'll get from all the visits a new client makes over their 'lifetime' as a client of yours.)*

But there's a problem.

I've had a growing number of conversations with distressed or angry salon owners who - *tempted by the promise* - took the plunge ... but after an initial surge of delight at the number of takers, began to feel they'd made a dreadful mistake.

What they found is that the offer didn't attract the potential long term clients, they'd hoped to impress. Instead it attracted **'Daily Deal'** junkies *(or 'bargain monsters' as a friend of mine calls them)* who then move on to the next salon to gobble up the next great offer.

Doing a 'daily deal' offer left the salon owners with a big bill, because they were giving away hundreds of services at a massive loss, only to find that the loyalty and therefore the 'lifetime value' created by the very attractive offer **they** just paid for, didn't go to them ... **instead it went to the business that sold them the offer in the first place.**

But it's worse than that.

By doing a 'daily deal' the salon owner made a marketing promise,

didn't they. The promise was **"we're a salon that does big discounts."** Is this a promise they can afford to keep delivering consistently?

Probably not!

Not unless they're willing to **deliberately** inflate their prices **first** so they can **'appear'** to give dramatic discounts, while maintaining a decent profit margin ... **just like many of the large retail companies do.**

I've lost count of the number of offers loudly promoting ... ***"half price ... plus an extra 10% this weekend only, with nothing to pay for the first year ..."*** for double glazing, kitchens, furniture, and electronics, that turn out to be **more** expensive than the **'normal'** price you'd pay from another supplier ... **haven't you!**

This means ... as a recession beating salon owner you must:

- ✓ **Only** play the **'big'** discount game if you can afford it because you've built the **'discount'** into your prices and your profit is safe.
- ✓ Only play the **'big'** discount game if it's the marketing promise you've chosen **'on purpose'** because it fits with who you are, who you want to attract **and** you're happy to deliver it consistently.
- ✓ Only play the **'big'** discount game if you (and your team) **'are'** people whose personal buying patterns are driven by **'offers', 'deals' and 'discounts.'** If you are, you'll understand the psychology behind them and will be comfortable consistently delivering an attractive **'big'** discount, client experience.

If you do all this then the **'right'** daily deal offer **'might'** make sense

for your salon but **only** because it now fits into the big picture of your ... 'Joined Up' Marketing. Remember, used on their own, 'Daily Deals' will only bring you 'Long Tail Dribblers.'

Now; let's break 'Joined Up' Marketing into clear pieces for you and we'll start by looking at the first and probably most important of its lessons. To do this I'm going to introduce three well-known names ... **Lady Gaga, Sir Richard Branson and Michael O'Leary!**

Let's start with Lady Gaga. Love her or hate her, she can teach us how to make our salons more '**attractive**' ... especially in a recession.

Would you like to know how?

OK ... We start by getting you to ask yourself:

- ✓ Is my salon marketing in danger of being so '**safe**', '**bland**' and '**ordinary**' that people can't get excited?
- ✓ Is it in danger of being so '**normal**' that it's just '**there**' like a familiar piece of furniture, with nothing to make it stand out from the crowd?
- ✓ Is it in danger of being about '**just another offer**' that clients can choose to ignore without making a massive difference to their lives?

The point is this. If your marketing is '**just another offer**', if it's '**part of the noise**' if it's '**generic**', '**bland**', '**vanilla**' ... you'll **always** struggle to attract people for any reason other than low, low, prices and we already know about the problems that causes.

Your salon might be '**convenient**', you might be '**friendly**', you might be '**nice**', you might offer '**value**' - but so do a lot of other

salons and in a recession you have to stand out ... **you have to create salon marketing, that dares to be more!**

You have to create salon marketing ... THAT DARES TO BE DIFFERENT.

Lady Gaga understands this truth and has built an astoundingly successful career with the knowledge.

Now, I have to admit I didn't always 'get' Lady Gaga. I saw her once on the **X Factor** and I thought she was an attention seeking nutcase - *to put it politely* - but one day, quite by chance, she grabbed my attention and in a few short minutes, converted me into a raving fan. This is how it happened.

My wife was watching TV.

I walked into the lounge to ask her something just as Lady Gaga came on and my wife said ... **"Oh my god ... has she shaved all her hair off or am I seeing things?"** Intrigued I looked for myself and saw a bald headed Lady Gaga sat at her piano singing a powerful song called '**Hair.**'

As I'm a hairdresser she was talking my language, wasn't she and I have to say ... **"I was blown away."**

When she finished singing **Paul O Grady** interviewed her and for the first time I listened to what she had to say. I listened and I was struck by the power of her belief in herself and her ideas. She sees herself as a role model and self-esteem booster for her fans.

She tells them; *"don't be afraid of being different, don't apologise for being different, it's **OK** to be different, it's **OK** to stand up and be who you are."*

Her message is powerful because she's doing 'Joined Up' Marketing. Everything about her message and the way she

presents herself fits together and in doing so she gives her fans a movement to belong to. She gives them hope. She makes them feel safe, valued and understood.

I found myself thinking as I listened ... **"This is a marketing master-class on the power of being different every salon owner could learn from!"**

Now let's focus on **Sir Richard Branson ... You've heard of him, haven't you!**

But why is that?

He's not stunning to look at. He's actually quite shy as a person so he doesn't grab you by the throat with his personality and Charisma. He hasn't been a trouble shooter or said **'you're fired'** on a successful TV show.

So what's his secret?

Sir Richard often credits his success with publicity to **Sir Freddie Laker**. In **1977** Sir Freddie created a low cost transatlantic service called **Skytrain** which was eventually strangled by regulation and competition. Before launching **Virgin Atlantic**, Sir Richard thought it would be a good idea to pick Sir Freddie's brains about the lessons he'd learned from his experience with Skytrain ... so they had a meeting.

He says of the meeting ...

"Sir Freddie sat me down and said: Richard, it's all about perception and publicity. You've got to get out there and realise that if you dress up in a captain's outfit when you launch Virgin Atlantic, you'll be 'the news' and get on the front page of the papers. If you turn up in ordinary business clothes, you'll be lucky to get a mention on an inside page!"

On **Feb 29, 1984**, Richard Branson as he was at the time, did better than the captains outfit Sir Freddie suggested ... **he turned up in a complete set of World War I flying leather gear!** The press were gobsmacked and wrote pages about the new airline and the amazing thing is ... **it was still just an idea at the time ... he didn't even have any planes!**

He was so delighted with the results of his publicity stunt he's been repeating the trick ever since. High speed transatlantic record breaking: Round the world balloon trips: Sending a 'Virgin Atlantic' plane to collect **Saddam Hussein's** hostages from **Iraq** in **1990**; these are just a few of many he's been behind over the years.

Sir Richard Branson recently provided the foreword for a book called '**Do Something Different**' written by **Jurgen Wolff**.

In it he wrote:

"The foundation upon which Virgin is built is doing things differently to other people or businesses in the same field – our stated objective is to 'shake things up' and we always try to do things in an innovative way."

Can you see how his stated objective '**to shake things up**' fits or '**joins up**' with how he's gone about generating publicity for Virgin over the years? In other words, just like Lady Gaga ... **he practices 'Joined Up' Marketing.**

How about Michael O'Leary?

He's the man behind the phenomenal success of **Ryanair**. When I say he's the man behind it, I also mean he's the man in front of it, because he's never been afraid to be rude, obnoxious, and stir things up. His abrasive management style, ruthless pursuit of cost-

cutting and his explicitly hostile attitude towards corporate competitors, airport authorities, governments, unions and customers has become a hallmark ... but ... if you look closely, he doesn't just do it for the sake of it.

Underneath every controversy he's started there's always been an underlying message. *'I'm making this fuss because whatever it is I'm ranting about is stopping Ryanair from offering you even cheaper fares and I'm going to do something about it!'*

Ryanair delivers cheap flights in a way none of its competitors have been able to consistently match, despite the **'apparent'** rudeness of the man who runs it and this is because everything they do and say wreaks of ... **'Joined Up' Marketing.**

But it's all very well for me to hold up these larger than life characters and say ... **'be like them'** ... if it was that easy we'd all be doing it, wouldn't we!

What we really need to find is a simple process that any **'normal'** salon owner can use to create a marketing message **they** can deliver comfortably and consistently in a **'joined up'** way. It may need to be simple, but at the same time the message should be powerful enough to make them **'Stand Out From The Crowd'** ... like Lady Gaga, Virgin and Ryanair.

It sounds impossible, but it's not ... **thankfully it's quite easy when you know how.**

Recently I was giving a coaching session to a beauty salon owner who said ...

Help! I need new clients ... **LOTS OF THEM!**

After finding out where her salon was, how many people she employed and so on, I asked her a very important question. It's a

question that every salon owner who want's their marketing to 'work' in the recession should be able to answer and it's this.

"Why should clients choose your salon rather than any of your competitors?"

Now, as you can imagine, I ask salon owners this question a lot.

Can you guess what the most common answer is?

Would you be surprised to know it's ... ***"Because we're friendly, or because we're nice, or because we're good at what we do?"*** Now of course it's important to be friendly and nice, but it doesn't help you stand out from the crowd, does it, especially in a recession.

This time though, I got a surprise ... because the salon owner thought for a moment, then she reeled off some really positive reasons why clients should choose her salon. Her answers ranged from **FREE** parking - *which her competitors didn't have* - to soundproof treatment rooms which give clients a much greater feeling of privacy.

I listened ... then I asked what turned out to be **the** really important question for this particular coaching session. ***"As a potential new client, how would I know you offer all those advantages?"***

She thought about it this for a minute and then said ... unless I'd been told by another client; the chances are ... ***I wouldn't know!***

Her web site and marketing material were bland, generic, and vanilla. They only listed the treatments and services she offered, told everyone where the salon was and listed her opening hours and prices.

This information is important to clients, but it's not going to make

a salon stand out from the crowd or get anyone excited and beating a path to the door, is it!

Once she understood she had a competitive advantage that she wasn't exploiting, everything changed.

Between us, we came up with a more than 10 different '**low cost**' strategies she could build into a 'Joined Up' Marketing plan to get people emotional and excited about trying her salon and turning them into raving fans as well. The really good news was that these strategies would allow her to attract new clients, without appearing desperate or giving all her profits away.

So what about you?

Are **you** sitting on a competitive advantage you could turn into a 'Joined Up' Marketing plan that you're not using at the moment, or do you need to create one?

If you do ... The good news is, once you know how, it's quite easy!

There are a couple ways to do it.

The first is to create a '**Unique Perceived Benefit**'

This is simply an attractive marketing '**promise**' that you're happy you can deliver consistently ... **which you back up with a guarantee.** Now occasionally, when you look at what you do, you'll find the marketing 'promise' you can make to your clients is obvious, but in most cases you'll need to '**create**' it from scratch and I'll show you how in a moment.

Once you've done it though:

- ✓ Your 'promise' and your guarantee must become your marketing catchphrase or slogan.

- ✓ It must become the '**thing**' you're '**known**' for.
- ✓ Your job is to spread the message of your '**promise**' clearly and consistently in a way your marketplace can't ignore.
- ✓ Your job is to keep your 'promise' ... **or happily pay up under your guarantee if you can't.** *(By the way, if you do ever have to pay up under any guarantee you give, don't be shy, **publicise** the fact. It might sound odd, but saying to clients "**we've made a mistake but we've paid up under our guarantee**" builds trust very quickly ... because it proves you '**practice what you preach.**')*

If you don't keep your promise, your marketing won't be 'Joined Up' and you'll be back to attracting the low profit 'Long Tail Dribblers' again!

So bearing this in mind I thought you might like to see the most successful 'Unique Perceived Benefit' there's ever been.

Here it is!

Fresh Hot Pizza Delivered To Your Door, In 30 Minutes Or Less, or It's Free

Domino's Pizza

Tom Monahan of Domino's Pizza created one of the most successful fast-food franchises of all time, using this; but what makes it so good?

Well; it simply promises his customers exactly what they **really** want and gives them a **guarantee** they'll get it.

They want it hot, they want it quickly and he guarantees to deliver in 30 minutes 'or it's FREE'.

That's what your 'Unique Perceived Benefit' needs to do; promise a result your clients really want ... **and guarantee they'll get it!**

So what result could you promise?

Well, promises based on something specific and measurable like saving time, saving money, or getting something extra for nothing work best.

A salon owner I coached, while she turned her business around came up with '**The 5 Minute Promise**' which said:

"We guarantee never to keep you waiting for more than 5 minutes from the time of your appointment ... and if we do, your appointment will be FREE."

They had to re-organise the way the salon worked so they could keep their promise. If the 5 minutes was nearly up the staff had instructions to take the client to a basin and give them a '**complimentary**' luxury treatment.

This is only one example, there are many other possibilities, but it's important that **whatever** you come up with reflects who you are.

Only then will you be able to deliver on your promise consistently.

Why not have a brain storming session with your staff and see what you can come up with.

IMPORTANT POINT!

REMEMBER your guarantee ... it's the bit that makes the promise special, it's the bit that makes you stand out from the crowd.

What should you give as a guarantee?

That's up to you and how confident you are of delivering. You could say, like Domino's did ... **"or it's FREE"** you could say ... **"or your money back"** you could say ... **"we'll give you a bottle of Champagne ... or a gift voucher ... or a bunch of flowers"** the possibilities are endless but I'll tell you this, having a guarantee is a real benefit to you because it:

- ✓ Makes you raise your standards by giving you a reputation to live up to.
- ✓ Gives you valuable feedback about problems, because more clients will **bother** to tell you if they're not happy: **At the moment most unhappy clients just go home and tell everyone else, which is not what you want!**
- ✓ Encourages far more **'new'** clients to come in and give you a try because your guarantee will give them confidence.

So please get past the thing that worries most salon owners when I suggest they use a guarantee ... which is they're afraid clients will rip them off. **All the research shows very few actually do.** If you've got the guts to offer one you'll stand out from the crowd **and** attract lots of new clients.

OK; I promised you **two** ways to **'create'** a talking point or competitive advantage, so here's the second one.

Ask your clients the question ... "What makes us different?"

The owner of a successful beauty salon recently held a client focus night and she was surprised to discover, the main '**difference**' was that her salon was perceived as a place where '**normal**' people feel comfortable. One comment was: You don't have to be ... '**A Lady Who Lunches**' to feel like you belong!

Now this information is marketing gold. You could easily create a whole '**Joined Up**' marketing message around it. It defines what the atmosphere in the salon needs to be, how the staff should behave, what the magazines, refreshments and treatments need to be like. The marketing possibilities are endless and until she asked, the salon owner didn't even know that's how her salon was perceived and that she was sitting on a marketing gold mine.

When I talk about things like "***what the atmosphere in the salon needs to be, how the staff should behave, what the magazines, refreshments and treatments need to be like***" I'm talking about the importance of the "implied messages" that are given off by the design, condition, consistency, convenience or attractiveness of:

- ✓ Your location.
- ✓ Your logo and signs.
- ✓ Your Salon exterior.
- ✓ Your reception.
- ✓ Your décor and furniture.
- ✓ Your equipment.

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- ✓ The music you play.
- ✓ The attitude and behaviour of your staff.
- ✓ The toilets.
- ✓ The refreshments you provide.
- ✓ Your price list.
- ✓ I could go on ...

The question you need to ask is ***"does their 'implied message' attract or repel my clients ... does it support my 'Joined Up' Marketing message, or not?"***

If it doesn't, it means your marketing message, isn't 'Joined Up' ... **it's MIXED UP!**

This is bad because mixed messages create confused clients and confused clients don't become 'Spenders.' At best they'll stay trapped as 'Long Tail Dribblers.'

So far we've looked at how to make your salon stand out from the crowd and create your own unique message.

Now let's look at what you do once you've got a new client because of it. It's the next important 'Joined Up' Marketing lesson and it can be summed up in two words.

Deliver Consistency.

Every now and then you come across something that's so perfect that you can't change or improve it. That's how I feel about the following passage from a book called '**The E Myth**' by **Michael E Gerber**. It explains the importance of delivering consistency. *By*

the way, the book is no longer in print but I can recommend his follow up book 'The E Myth Revisited' if you want to learn more about Michaels unique insights into running small independent businesses, like our salons.

Here's the passage, I think you'll find it eye opening.

"I went to a barber who on my first visit gave me one of the best haircuts I have ever had. He was a master with the scissors and used them exclusively; never resorting to electric clippers like many other barbers do."

*"Before cutting my hair he insisted on washing it, explaining that washing made cutting easier. During the haircut, one of his assistants kept my cup of coffee fresh. In all the experience was **delightful**, so I made an appointment to return."*

*"When I returned, **everything had changed.**"*

*"Instead of using scissors exclusively, he used the clippers 50% of the time. He not only didn't wash my hair, he didn't even **mention** it! The assistant did bring me a coffee, but only once, never to return."*

"Nevertheless it was again an excellent haircut."

*"Several weeks later, I returned for a third appointment. This time the barber did wash my hair, but only after he had cut it. This time he again only used the scissors, but unlike the first two times, no coffee was served, but I was offered a glass of wine. At first I thought it might be the assistant's day off, **but it wasn't**, I soon spotted her doing something at the front of the shop."*

*"As I left, something inside me decided **not** to go back."*

It certainly wasn't the haircut – he did an excellent job each time. It wasn't the barber. He was pleasant, affable and seemed to know his business."

*"It was something more essential than that ... **THERE WAS ABSOLUTELY NO CONSISTENCY TO THE EXPERIENCE.**"*

"The expectations that were created by my first visit were violated at each subsequent visit. I wasn't sure what to expect ... and something in me wanted to be sure. I wanted an experience I could repeat just by deciding to return."

*"The unpredictability said nothing about the barber other than he was constantly and arbitrarily changing my experience for me. **He** was in control of my experience and he demonstrated very little sensitivity to the impact of his behaviour on me."*

*"He was running his business for him ... not me. He was depriving me of the experience of making a decision to be a client of his for my own reasons **WHATEVER THEY MIGHT HAVE BEEN.**"*

*"**It didn't matter what I wanted. It didn't matter** that I enjoyed the sound of the scissors and somehow equated them with a professional haircut. **It didn't matter** that I enjoyed being waited on by his assistant. It didn't matter that I enjoyed the experience of having my hair washed before he started cutting it and believed it would improve the quality of the haircut."*

"WHAT THE BARBER DID WAS GIVE ME A DELIGHTFUL EXPERIENCE ... AND THEN TAKE IT AWAY."

Isn't that a powerful lesson! Can you see now how inconsistency could be quietly destroying your business ... **simply because it destroys trust?**

When you think about it, it's not surprising that trust has cropped up again at this stage of the book because we're back to building relationships ... **this time with our clients.**

Do you remember the '**Team Esteem Staircase?**' that defined our relationship with our team? Well clients climb their own version, which I call '**The Raving Fan Staircase**' and it defines their relationship with your salon.

Just like before; if you create the right environment and **train your team to behave in the right way**, your clients will climb all the way to the top step of their staircase and become raving fans of your business as part of a natural process ... **they won't be able to help themselves.**

Let's look at the steps.

STEP 1 ... IT'S JUST A HAIRCUT/TREATMENT



For clients on Step 1 coming to your salon is just a transaction.

Unconsciously the client thinks "I need my hair doing or a facial. You're open, you're convenient, you have an appointment, your prices are OK ... you'll do." This client may come once, they may come a dozen times, but at some point 'life' in the form of a better offer, or something more convenient, or simply a comment from a friend will break the pattern and they'll be gone; just because there was no emotional glue to hold them.

STEP 2. BUILD RAPPORT.



If you ever want a client to move on to **Step Two** of the staircase, you have to build rapport.

You have rapport when a client feels you '**know**' them, '**like/respect**' them and '**trust**' them.

Like '**The Team Esteem Staircase**' this is where the emotional glue

is applied to your relationship with clients and again this step is the danger zone.

Get it right and your team members will rapidly build a loyal army of happy clients ... get it wrong and you'll always be relying on 'special offers' and 'The Long Tail Dribblers' to stay in business ... **especially in a recession!**

There are two secrets to building rapport.

The first one is ... **People like people who 'like' them.** The question is ...how do you show a client that you like them? It's easy when you know how.

- ✓ **Smile genuinely.** When you make eye contact with every client and smile, you'll see them smile back.
- ✓ **Give sincere compliments.** Stop focussing on yourself and pay every client two or three sincere compliments. It shows you care.
- ✓ **Use your client's name.** Find out what they like to be called and once you know it, put a reminder in your computer, so you don't forget, and then use it regularly during their appointments.
- ✓ **Make regular eye contact.** Make sure you look directly into your client's eyes when they talk to you. This will show them you're interested.
- ✓ **Use humour.** It's OK to be playful and get silly sometimes. Don't be afraid to laugh, it's infectious.
- ✓ **Remember how they like their coffee and which magazines they prefer.** This sort of thing matters and again it's just a case of making a note on your computer.

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- ✓ **Remember what they tell you.** Clients will often tell you about the major events happening in their lives. Again, make a note on the computer and remind yourself before they come in. This is one of the most powerful things you can do to show a client you like them and they matter to you.
- ✓ **Never argue with a client.** You can never ever win in the long run, even if a client is wrong! Remember this isn't a game and we're not fighting a war either, we're running a business.
- ✓ **If there's a problem, keep calm.** Don't get dragged into the drama or emotional tension a problem can create.
- ✓ **Fix the experience.** Remember, if a client is unhappy it's not enough to fix the problem, you have to fix the experience. It's how they feel afterwards that matters.

The second is ... **People 'like' people who are like them.**
The secret to this lies in the lessons we learned on '**reflective listening**' in the chapter on recruitment. Reflective listening makes building rapport with clients incredibly easy.

Here's a reminder of the basics.

When you meet your client at the beginning of an appointment you'll start talking to them about how they are, what's happening at the moment, what they are looking for today and so on.

Where possible without looking silly simply ***copy their body language for a minute or two***. Remember; you take the time to do this because it makes them feel comfortable and as your conversation or consultation moves on make sure you watch for:

- ✓ A change of expression on their face; **they may smile, raise an eyebrow, blush or go white.**
- ✓ A change of posture; **they may sit back, sit forward, lean towards or lean away from you, cross or uncross their arms or legs.**
- ✓ A gesture with their hands; **they may point at something imaginary, sit on their hands, make a chopping or pushing gesture. They may wave their hands about, touch their face or scratch their head.**

All these changes can be a sign of 'emotion' and that's what you're after, because you're looking for what matters to **them**.

Now remember, once you spot it, you must reflect what you've seen back at them in a follow up question, to help you find out more about the 'emotion.' Make sure you reflect the **same** word(s) and gesture(s) back to them when you ask your question.

For example, they might say "**My skin feels tight and dry at the moment.**" (As they say the words '**tight and dry**' they might put their hands their face and pull their skin tight.) You could turn their reaction into a question like: "I can see it really bothers you that your skin's feeling '**tight and dry**' (and as you say the words '**tight and dry**' you put your hands to your face and pull your skin tight) would you like me to do something about it?"

Remember, you're repeating part of what they said, in the same way they said it, but you've turned it into the form of a question.

Reflecting language and gestures back to a client gives them the feeling you understand them deeply and rapport will follow quite naturally.

STEP 3. DON'T TAKE THEM FOR GRANTED.



Let's assume you've built rapport and your client now feels emotionally glued to your salon. What comes next?

Simple ... you carry on making him/her feel special. You keep building rapport by doing everything that worked for **step 2**. You make sure you never take them for granted and occasionally you add some '**surprise and delight.**'

A free gift here, an invitation to a special event there, every little helps.

As we said before, it pays to remember their birthdays. In fact it pays to be there to offer emotional support whenever something major happens in their life, such as:

- ✓ Births
- ✓ Deaths
- ✓ Weddings
- ✓ Divorces

You really can play a part in all these major events if you're sensitive enough ... and clients will often remember when you do, so don't be surprised if it takes your relationship to the next level.

There's one extremely powerful reason why you'd take the time and trouble to do all this and it's because ... **this is the step where raving fans are created and they don't happen by accident.**

The fact is, if you have a real emotional connection with a client, but you don't deliver step 3 consistently they'll probably stay loyal to you **FOR A WHILE** but they won't recommend you ... **just in case you make them look silly in front of their friends.**

IMPORTANT POINT!

Inconsistency can lose you clients very easily ... the lesson here is that it can also cost you a lot of new clients, because nothing dries the word of mouth tap up more quickly than inconsistency!

By the way, a lot of salon owners think that simply having a 'recommend a friend' scheme is all they need to attract 'word of mouth' clients but the fact is most of them are a waste of time in most salons.

Recommend a friend schemes only work when you provide a service worth recommending! They only work when you

understand the power of 'The Raving Fan Ladder' simply because 'like attracts like' and if your clients aren't on step 3 or 4 all you'll get is 'Long Tail Dribblers' who" take the offer and run.

YOU HAVE BEEN WARNED!

STEP 4. RAVING FANS.



This is the final step and in a way it's the easiest to follow.

Every time a client recommends someone, make sure your computer system flags it up to you, so you can say thank you.

Then all you have to do is let the client who did the recommending know how their friend or family member is getting on from time to time. It doesn't have to be a long winded report just a few words every now and then to remind them you didn't take their recommendation for granted and you haven't forgotten!

OK we're nearly at the end of the chapter now and I hope you've

realised that the secret to 'Joined Up' Marketing is actually quite simple because your joined up marketing message is like a magic mirror. When clients look into the mirror they see themselves being looked after and getting what they want. If they like what they see, they jump into your world. Treat them right and they not only stay ... they become **'Spender Raving Fans.'**

Just identify the competitive advantage that makes you different and if you haven't got one that's obvious, ask your clients, or create your own **'Unique Perceived Benefit'** by combining a promise and a guarantee.

Make sure the messages you communicate with your marketing, the way your salon looks, sounds and feels and the client experience you offer, are consistent with the promise you're making.

Understand that 'people buy people' and we're in the relationship business. This means once you've attracted someone's attention and they've given you a chance ... you must deliver on your promise consistently while building rapport.

Doing this adds the emotional glue to your client relationships and you'll then find all your 'conventional' marketing - like 'recommend a friend' schemes - that you probably thought we were going to focus on in this chapter will be much more powerful.

Finally, 'Joined Up' Marketing will make your clients respond to your message like magic and if you take the time to understand and apply it, you'll find your 'Long Tail Dribblers' will turn into 'Spenders' and you can smile your way through the recession!

By the way, you may have noticed that I've mentioned using your computer system several times during this chapter and I just wanted to emphasise that the **Phorest** system, together with the

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training and support they provide, combine together particularly well with the 'Joined Up' Marketing concept.

In other words if you work with everything they have to offer, in my experience you'll get the tool kit you need to build great relationships with your clients.

CHAPTER 7

YOUR 'JOINED UP' STRATEGY.

In this chapter we're going 'Joined Up' again. We're going to create the 'Joined Up' business strategy that will help you beat the recession.

Before we start, let's have a quick look at why doing things the 'Joined Up' way is so powerful by using a simple exercise with 10 imaginary dominoes. *(If you've got a box nearby feel free to do this for real!)*

What I want you to do is this.

Take your 10 imaginary dominoes and stand them up in a neat straight imaginary line with about 2cm between each one. Once they're in place I want you to knock the first one over.

What happens?

If you've got them lined up properly you get a chain reaction and the other nine go over, one after the other. What you've just demonstrated in your imagination is the fine art of domino toppling and I was amazed to find that the current world record is 4.3 million dominoes, all toppled by one flick!

Apparently it took 85 people from 13 different countries to set it all up and it took two hours for all 4.3 million dominoes to fall over!

Luckily we don't need 4.3 million, we only need 10 and given that yours have now fallen over because of the chain reaction, I want you to pick them and stand them on end again, but this time spread them out randomly, at least 10cm apart.

Once you've done that, trying knocking the first one over again.

Because you've spread them out, the chain reaction doesn't happen, does it. If you want the other nine to topple, you're going to have knock each one over yourself, which takes 10 times more work than the first time.

So what's the point?

Simply this: With a chain reaction you get a big result for a small effort because a small amount of energy from your little nudge on the first domino travels all the way down the line.

When there's no chain reaction you have to do all the work yourself.

'Joined Up' Marketing gave us a chain reaction and lots of 'Raving fan Spenders.'

What happens when you create a 'Joined Up' strategy for your salon ... **are the results just as powerful?**

I think you'll find they are ... **so let's get started!**

All we need to do is answer 10 questions. Before we begin it makes sense to go back and look at the answers you gave to the exercise in Chapter 2 about what you're naturally good at.

Also if you didn't do it at the time, it would be a good idea to know

your dominant shapes from the Squiggles and Squares exercise I gave you in Chapter 3 on interviewing!

OK ... Assuming you're now prepared, let's look at the questions.

THE 10 IMPORTANT QUESTIONS EVERY SALON OWNER SHOULD ASK

1. Who am I?
2. What do I want?
3. How do I have to organise my business so I get it?
4. Who do my staff need to be?
5. What do they want?
6. How do I have to organise my business so they get it?
7. Who do my clients need to be?
8. What do they want?
9. How do I have to organise my business so they get it?
10. Are my answers 'Joined Up?'

To bring these to life for you I'm going to take you through the answers I came up with when I put my own strategy together, then you can have a go yourself.

1. Who am I?

I'm naturally untidy.

I crave freedom and flexibility.

I file stuff in piles.

I'm a 'just about on time' some of the time person.

I'm an ideas' person who's always looking to understand 'why' things happen the way they do.

I'm great at starting things but not so good at getting them finished.

I came up Squiggle, Triangle on the shapes exercise. Which suggests; I'm creative and I love getting to the point and coming up with ideas that produce results.

Putting that lot together it's easy to see I'm not temperamentally suited to managing a business on a day to day basis. Which is why when I tried it, I was unhappy, did a bad job and my salon didn't work!

It's also easy to see why I'd be good at creating a business that would be easy to run ... **by someone else!**

When you did the exercises earlier, what did you learn about 'you' and what you're naturally good at? Did it explain why you have some of the problems you do at the moment?

2. What do I want?

This one was easy. I wanted a profitable, easy to run business that worked whether I was there or not! In other words ... I wanted a business that gave me freedom **and** a life; not a prison that took away my life ... **which is what it used to feel like.**

What's your version of that and are you temperamentally suited to getting what you want? For example, if you say you want freedom, but you're a perfectionist who finds it hard to let go, you're going to struggle, aren't you!

3. How do I have to organise my business so I get it?

I needed to get people to run it for me. I could either employ a manager or delegate to a team. Finding a decent manager is a challenge and if they leave you have to start all over again, don't you. For this reason I went for a team and that decision made it obvious ... **I needed to organise my business so it could be run successfully by a team.**

What about you? Is a team the best route for you, or should you avoid employing people all together? Some salon owners function better and find it easier to make a profit working with self-employed people and renting or licensing rooms or chairs to them.

4. Who do my staff need to be?

I needed people temperamentally suited to being part of a team and not ego driven prima-donna's who might be great at what they do, but are extremely high maintenance! Understanding this made interviewing and selecting the right people much easier!

Now you know how you're going to structure your business identifying the type of people you want to find becomes easier, doesn't it.

5. What do they want?

My people wanted a team to belong to, that was trusted, given the tools and training to do the job and then left to get on with it. They wanted to be treated equally as people. They wanted to be paid fairly and they also wanted me to say 'Thank you' and 'Well done' from time to time. It's simple really!

If you're not sure what your 'right' people want, then it makes sense to ask them ... **I certainly did and I found it pays to listen.**

6. How do I have to organise my business so they get it?

I had to provide the training, tools and systems that would allow

my team to run the salon effectively, and then step back and let them get on with learning the lessons. The best way to provide the right tools and systems was to get them involved in choosing and creating them.

I found the more their ideas were used, the greater the emotional buy-in I got in return. It was important to provide boundaries for their decisions and have measurement systems in place so I knew who and what was being effective. Then I could help them refine and improve what they were doing in a positive constructive way. It created a real **'win-win'** result. They got a salon they were happy working in ... **I got a profitable salon and the freedom I craved.**

As for you, whatever you come up with, it makes sense to involve the people you're relying on, doesn't it!

7. Who do my clients need to be?

My staff want to belong to a team, which means the clients who suit us best will also be natural joiners. We're not high fashion, we're not big ego, we're **team** and I discovered, this ethos is very attractive to family minded people and you won't be surprised to hear our marketing point of difference is ... we're a **'Family Friendly'** salon.

Now your strategy is coming together can you identify which group of clients would suit you best? It will make your 'Joined Up' Marketing much easier if you can, won't it!

8. What do they want?

Families are made up of people from both sexes and all the generations, so the salon needs to offer value for money, a friendly atmosphere and be spacious and flexible. We have a children's salon with a buggy park which is separate from the main salon, so their noise doesn't condition the atmosphere

for older clients. Teenagers have Nintendo DS systems to distract them if they need it and so on.

Can you tell what your clients would want?

9. How do I have to organise my salon so they get it?

I work with my team and help them to implement their ideas so that what we offer and how it's delivered is constantly being improved.

How will you make sure your clients get it?

10. Are my answers 'Joined Up?'

Yes!!!!

Are yours?

I truly hope so because this simple exercise has the power to make your business far more successful.

Why?

Because the strategy you come up with is based on who you are, what you're good at and what you want.

This is so important, I can't stress it enough. The needs of your staff and clients' absolutely have to follow on from yours. In other words ... YOU COME FIRST!

A salon doesn't just happen.

Someone has to have the idea, get the money together and take the risk. That someone is **YOU ... the owner**. It's your drive, your vision, your focus that brings it all together.

No owner = no salon = no jobs = no clients.

See what I mean ... It all starts with the owner.

IMPORTANT POINT!

If it doesn't, in the long run the business will either be sold or wiped out by the recession!

CHAPTER 8

YOUR FUTURE!

The answer to the '**What does your future hold**' question is actually quite simple in one way... you get to decide!

You get to decide because of the research I mentioned earlier in the book, which showed us:

- ✓ If you read about an idea in a book like this and think ... "**that's good**" the odds of you taking action and using it are roughly **10%**
- ✓ If you take the idea and make a **decision** to try it your chances of taking action improve to **25%**
- ✓ If you make a decision and set a **deadline**, your odds improve to **40%**
- ✓ If you make a decision, set a deadline and come up with a **plan** to follow, they improve to **50%**
- ✓ If you make a decision, set a deadline and come up with a **written plan** to follow, they improve to **60%**

- ✓ If you make a decision, set a deadline, come up with a written plan to follow and then share it with someone you trust, like a **coach or a mentor**, who will hold you to account ... your odds of being successful increase to **95%**

It means you get to decide whether you want the odds of getting something long lasting and life changing from this book to be **10% 25%, 40%, 50%, 60%** ... or you can join the **95% club** ... the choice **is** yours!

You're probably thinking ... if I choose to join the **95% club** and ask you to be my coach or mentor Simon, it's probably going to cost me money ... **but would you be right?**

The answer comes from Vicky Pollard again because it's ... **YEAH but NO!**

YEAH: For your **own** good you'd have to pay. There's plenty of research to prove you wouldn't value the support and advice if it came for free ... **Paying for it makes it powerful.**

But **NO:** Because the truth is your payments would be an investment. An investment that will probably pay for itself **10 times over** in improved profits, not to mention the priceless benefit of owning a salon that demands less time and less emotional energy to run.

What price would you put on peace of mind?

Please don't take my word for all this. Listen to some salon owners who used to feel like you do now and see what happened to them when they chose to join the **95% club** and change their lives.

PROFITS THROUGH THE ROOF!

"Before working with Simon we were stuck in a rut, it felt like we were never going to make any money, felt

CHAPTER 8 - YOUR FUTURE

like were never going to get any further ... felt like everything was going to carry on the way it was."

"We knew we had problems but we let them pass because of a lack of time and energy. We thought we'd be able to tackle them later on ... but the truth is we never did."

*"Now with Simons help we're working with our staff properly. We've stopped nagging them, started encouraging them and they've responded just like he said they would. We've taken control of our spending as well and that's made a huge difference to our profits, which have gone through the roof and the amazing thing is since we've become more positive the **whole** salon's become more positive!"*

KERRY AND KIRSTY, UTOPIA, ABERDEEN.

JUST OPENED MY SECOND SALON!

*"I was completely stressed out ... trying to run a business, run a house and bring up my daughter. In the salon I was happy to stand behind my chair, too busy to talk to my staff and find out what they wanted or if they were happy. The truth is I was just getting by. Every year I'd go to the accountants thinking things would be better ... **only to find they weren't.**"*

"Then I saw Simon on stage talking about how I should be making 20% profit after I'd paid myself. I was curious so I read his first book. That's when I realised things could and should be different. For me, when you read or hear about something that makes complete sense you have to take action, there's no point in waiting."

"Now my staff are much happier because they're more involved, taking responsibility and saving me a lot of time and hassle. They have rules and systems they've helped to create so they know what needs doing and why. They also have commission sheets they can fill in for themselves which shows them what they're earning every day."

"Since working with Simon things have improved so much I've just opened my second salon!"

PORTIA RUSSELL, POSH HAIR, STOWMARKET AND IPSWICH.

MADE ME MUCH HAPPIER!

"Nothing was happening in my salon. I was tired and frustrated. I was trying to be friends with my staff, thinking 'if they like me they'll work harder for me', but it just wasn't working."

"I heard Simon speaking at a conference and then read his book which opened my eyes widely and I realised in future I had to be a boss not a friend!"

"Now we've got a rule book which has made a huge difference. My staff helped to create the rules so they follow them quite naturally ... it makes my life so much easier. They also like the commission sheets because they can work out their own targets and see how well they're doing. The sheets are simple for everyone to use and save me hours of admin time each month. The really nice thing is how team members are happy to get involved in marketing as well, helping me with the newsletter, client nights and running our V.I.P. Club"

"Working with Simon has made me much happier. It has opened my eyes and given me a vision. I didn't

*know much about marketing or the business side of things before because I trained in hairdressing not business. The truth is I couldn't see how to get out of the rut, but now I can and it's actually happening ... **which is great.**"*

SANDRA HUNTER, FUSION HAIRDRESSING, STONEHAVEN.

MOVING TO A LARGER SALON!

"After a string of staff problems and feeling shattered from working so hard for very little reward, I felt like I was trapped and couldn't go on the way things were." I went to a conference and talked to lots of other salon owners. I heard Simon speak and realised there was another side to owning a salon. I also realised I didn't want to give up, I wanted to be successful, I wanted to get to the other side."

*"When I got home I read Simons book and it showed me a clear path to getting what I wanted but I also realised I couldn't do it on my own. So I contacted him and I'm glad I did ... **I feel like I'm getting somewhere now.**"*

"I've changed the way I behave in the salon which has made a big difference to the way my staff behave towards me. I'm making time to have meetings and talk to them more. Simon's helped me to be more assertive so they understand more clearly what I want from them and how important they are. I've also realised I need to let some people go because they'll never be right for my business."

"Since working with Simon the things I dreamed I could do with my business are now starting to happen and in the next few weeks I'm moving to new premises which

are 3 times the size!"

DANIELA DAVIES, ELLA HAIRDRESSING, CHELTENHAM.

You might be thinking ... **"That's OK for them Simon, but how would I know if coaching is right for me?"**

Well; think about it this way.

Just like you, **Kerry, Kirsty, Daniela, Portia, Sandra and many others** weren't sure once ... but they knew they wanted things to change.

They had to make a decision, they decided to trust their instincts and you can see what happened.

If you want to join them in the **95% club**, you'll have to decide to trust your instincts, decide to trust me, decide to try coaching and ... **as a reader of this book you can try it FREE for 4 weeks.**

Just send an Email to simon@simonlotinga.com or a Text to 07977 431842 telling me you've read the book and would like to take me up on my offer of 4 weeks FREE coaching and we can get started.

Speak soon ...

