

[00:00:00] **Antony W:** Welcome to the Grow My Salon Business podcast, where we focus on the business side of hairdressing. I'm your host, Antony Whitaker, and I'll be talking to thought leaders in the hairdressing industry, discussing insightful, provocative, and inspiring ideas that matter. So, get ready to learn, get ready to be challenged, get ready to be inspired, and most importantly, get ready to grow your salon business.

[00:00:30] **Antony W:** Hello, and welcome to today's episode of the Grow My Salon Business podcast. I'm your host Antony Whitaker, and as always, it's great to have you here with me today. Now, I often have coaching clients who have bought an existing salon. and they want help with the transition of taking over an established business.

[00:00:52] **Antony W:** Sometimes they're people from within the industry, so they understand hairdressing. Maybe they even are a hairdresser. Other times they're people from outside of the industry who have come into the industry for the first time and see owning a salon, buying an existing business as a great business opportunity. Now buying an existing business can be a great idea. But there is also plenty of things that can go wrong. Sometimes everything does go well and it's a huge success for everyone that's involved, but sometimes it doesn't go well, and it ends in tears, and the new owner losing a lot of money in the process.

[00:01:35] **Antony W:** More often than not, I don't think anyone goes into buying a salon business or any business thinking that most of the team will leave and that the business will pretty much just collapse under their feet within the first six to 12 months. But the reality is that sometimes that really does do happen, and usually it's because the new owner hasn't, understood, the industry or hasn't understood, you know, hairdressers or has tried to push through change very quickly. Now, when you buy an existing salon business, inevitably there will always be things that you want to, and no doubt need to change. And sometimes those changes need to be done really quickly because. You know, let's imagine that the business is haemorrhaging cash and it's going backwards.

[00:02:26] **Antony W:** Well, you don't have the luxury of, sitting around and, waiting before you make changes. But wherever possible, I think that that is probably the right thing to do. But as I was putting together this list, because I have a list of 12 points that I want to go over, every time I started to think of them as, you know, well, this is a rule. This is what you should do. There were always exceptions that came to mind of sometimes that's not gonna work for

you. And so, you know, I've got 12 points that I want to talk you through. They're certainly, a guide that have, you know, stood the test of time for me over the years. But at the same time, I think you take every one of them with a, perspective of looking at your individual position and what the unique things are to you and your salon, because inevitably there will be differences that will impact on what the right thing to do is and what the right thing isn't to do. Okay, so inevitably, like I say, there will be changes that need to be made, but if you want to limit the risk and you want this transition to be a positive experience for everybody, then that's the sort of basis that I've put together this list of 12 points.

[00:03:39] **Antony W:** Now it is by no means a final list, but there's certainly a good, uh, starting point. To make sure that you get a smooth transition or as smoother transition as you possibly can. Okay, so at number one, I've got a list of notes here at number one. The, very first thing I would suggest that you do it, I've already alluded to it, is take time to understand the business. Now what I mean by that is that you know, some of the people that are watching this will be new to the industry. So, they would've seen, buying a hairdressing salon as, a business opportunity that either they want to work in or want it to be a more of a passive investment. And I'm not saying that that can't work.

[00:04:24] **Antony W:** I'd question the word passive though. very few, you know, businesses, are completely passive. Most of them are going to need you to be involved in it to varying degrees. And if you're buying a hairdressing salon for the first time, and you are coming from outside of the industry. I definitely don't think that you should be a passive owner. I think you should understand the business. So, number one is to take the time to understand the business and to settle in and to. Observe things before you rush in there and make changes. Now, as I said before, I started talking at number one, I said that there's always going to be exceptions to the rule. And obviously, if a business was, you know, already on its knees, then you are not gonna have the luxury of taking time. But let's assume that you've bought a stable. or a business that you've been led to believe is stable, I would suggest that you take time, that you understand the business, that you settle in, and you observe.

[00:05:24] **Antony W:** And that leads us to number two. And number two is look and learn. The main thing you need to do is take the time to look and learn before you make the changes. You know, understand the business and the culture and understand what is and isn't working. Now I've seen many of people come into the hairdressing industry and see it as a great business opportunity

because from the outside looking in, it is a very simple business model, and it is a simple business model.

[00:05:56] **Antony W:** Meaning that clients come in, they get their haircut, they pay the bill, they walk out. it is not a, you know, you don't have clients on a seven day. 30 day, or 60 day or 90 day. You don't have a research and development department or something.

[00:06:09] **Antony W:** You don't have shipping. You have very limited amounts of inventory. So, it is a simple business model without doubt. but don't make the mistake. And this is where I think a lot of people make the mistake, is that they, they think because it's a simple business model, that it's going to be a simple business, that it's going to be an easy business to run. But that is the big mistake because it is very much a people business and hairdressers they don't necessarily respond to the traditional, management systems and, HR systems that might go with different companies. So, although, you might be watching this and maybe you have a business degree or a finance degree, or a management degree, a marketing degree, whatever it is, Don't make the mistake, please, of thinking that you know everything about this industry and that it's simple because that will be your very undoing, and I've seen it happen to many people along the way.

[00:07:03] **Antony W:** So that's number two. Number three is relationships. As a new business owner, the existing team are going to be wary of you. You. The newbie, so to speak. And they're going to be wary, they're going to be a bit defensive, they're going to be, resistant to, changes. and so you want to take the time to not just look and learn, but you want to take the time to understand the relationship side of this industry because this relationship is what the business is really built on the relationship between the hairdresser and the client. And to build, a team. I think building any. A lot of that is about relationships. So, you know, take the time to nurture, to build and to create relationships, and the trust and rapport that needs to be the bedrock upon which any, relationship is built. You know, so building trust and rapport, establishing relationships, and all of that takes time.

[00:08:03] **Antony W:** Now number four is about easy changes. So if you are going to want to make changes quickly, and you know there'll be times where you might want to do that and it can actually work for you cause it can be a very good way to start to get people on side if you have some easy changes that will make life easier for the team that work there. So, you know, sometimes it might

just be simple cosmetic changes. Other times it might be, new technology. other times it might be, um, a, a coat of paint, you know, maybe some new, uh, fixtures and fittings in the salon, et cetera. And, and they're all going to be things that are going to, be non-threatening they're going to build trust and they're going to be positive. So, you know, go for the, what's often referred to as the, the low-hanging fruit, the easy changes that are non-threatening, that are going to build trust and are going to get the people on the team to start to warm to you and think, actually this guy or this girl, is okay.

[00:09:02] **Antony W:** They, understand us, say, have our best interests at heart. They want to make this work. Now that leads us to number five. Number five is what I call the unofficial leader. Now, sometimes there's someone on the team, on the business that you've bought who maybe doesn't have a position, so they're not called, manager or assistant manager or anything like that, but they are what I refer to as the unofficial leader. And when you are the newbie and you, buy this business and one owner walks out and you work in. The unofficial leader is the person that the other people on the team will often look to. They'll often take their cues from that person as to whether, you know, they should trust this person and trust this situation or not.

[00:09:49] **Antony W:** So that person can be your greatest ally, or they can become a major problem. And if they become a major problem, then they turn everybody else into a major problem as well. But if you spend the time with that person and you get them on side, then they also get everybody else on side with you. So, try and identify who you believe that person to be. Who is the unofficial or maybe official leader. Maybe you have taken over a business that, has a manager who wasn't the owner, but they were a manager. Take the time to build the relationship with that person to build trust and rapport with that person. , and if you do that, you've got most likely, the best chance of bringing in other people, along for the ride, so to speak. But there's another point I want you to reflect on, and that is that. Sometimes that person is going to be a big problem. In fact, sometimes that person is, going to be what I refer to as a staff room terrorist. They're going to undermine everything you do on every step of the journey. Often in front of you, but often not in front of you, in the break room when you're not there, or in the pub after work or whatever.

[00:11:04] **Antony W:** So, You know, you do need to try and get them on site because in some ways. The business's viability going forward can depend on it. But you also have to know when enough is enough. You have to know when to stop. If it's not working, then it's not working and you. You know, it's your

business. You've invested, X into buying that business, and you shouldn't have to fight the people that are on the team. If they don't share the same vision and the same values as you do, then there's going to be a point where you have to let them go. Now, Hindsight can be a fine thing about that. you might be glad that you stuck with them through a difficult patch, or you might say to yourself, I wish I'd got rid of them the day I moved in because maybe you've gone through six months of hell. Maybe they've, left and taken other staff members with them and unfortunately there is no one size fits all with that. So we've talked about instigating the easy changes, the low-hanging fruit, the things that are going to get people on side, the things that are going to make, their life easier.

[00:12:10] **Antony W:** But at number six is the bigger changes. And particularly if you've come into the industry, not as a hairdresser, you are very much going to be looking at this business that you purchased as something that you need to get a return on your investment from that. You are going to be looking at it through the eyes of a business person. Now, it might surprise you to know that a lot of hairdressers, don't necessarily look at the business through the eyes of a businessperson. They, they very much because business isn't their background. they look at it through the eyes of a hairdresser. And so they have a very sort of emotional, approach to their business.

[00:12:46] **Antony W:** But, you know, typically when people come into the industry from the outside, they will come at it from looking at it from the business angle, and they will look at, well, how can I increase the sales? How can I reduce the overhead? How can I, um, you know, build the business and increase the profit margins and, get a return on my investment? And I'm not saying there's anything wrong with that because there isn't. But you need to be aware that is, you know, not how hairdressers think and so when you start to make big changes around certain areas, which we'll touch on in a minute, you will get a lot of resistance. Okay. So, I'm not saying that you don't make those changes, I'm just saying that you know, that big changes are going to upset the apple cart a little bit and they're particularly going to upset long-term staff.

[00:13:39] **Antony W:** I mean, I've worked with salons before where a new owner has come in and, you know, they've inherited staff that have been there, you know, 10, 15, 20, even 30-plus years. Uh, people that have never even. A different salon business. They've spent their entire career there. So, they, they literally only know one way of doing things. And so, when you come in and want to change things, they simply don't want to change. And after being there 10, 20, 30 years, if they don't want to change, they're not going to change unless

you can somehow get them to want to. Now, when I allude to the bigger changes in question, I suppose, there's sort of two things around that, or three things really. One of them is when you start messing with people's money, um, directly related to that is messing with time. And the third one, which is not quite as tangible, is the culture of the business. So, let's talk about those things. When you buy a business, whether you are a hairdresser buying the business or a non-hairdresser buying the business, what you buy and what you get are not always the same thing.

[00:14:51] **Antony W:** Now, whether that's financially in terms of what you were, expecting to see in the numbers because of what you perhaps saw in some, financial documents, some p and Ls, et cetera, that you hopefully did due diligence on before you bought the business. And what you actually end up with are sometimes a very different thing. Likewise in terms of the culture, what you see before you buy the business, and then what you actually experience, when you're working in the business can be two different things. Now, obviously, you know, you buy the fixtures and fittings, and you buy the inventory and you buy the remainder of the lease and you buy this, you know, This goodwill factor, meaning that you are buying the business and the revenue and that the turnover that the business generates and you see that as the thing that you're going to build, and that's where the opportunity is for you to get a return on your investment.

[00:15:51] **Antony W:** But, when you start tinkering with those things, when you start tinkering with the price point, when you start wanting to change, the amount of time allocated for appointments, when you want to start changing the, uh, the pay structure, et cetera, they are often the red flag, so to speak. So, changing the culture. And changing those things are very challenging. To put it mildly. When I talk about changing the culture, what I'm really alluding to is changing the actions and behaviours, changing the standards and the values that you want within that business. And sometimes because the actions and behaviours are wrong because the values are wrong, the culture is wrong, but it's also very entrenched.

[00:16:41] **Antony W:** and it's a culture that perhaps the staff quite like, because they've been there a long time and it's a culture that perhaps the, the clients like, because maybe they've been there a long time, but you see the culture as being something that needs to change in order to make the business more productive. And I'm certainly not saying you're wrong, I just, I probably over-emphasizing that that's also where the challenges might be. So, tread carefully.

Now one of the steps in terms of, trying to get those big changes through is to try and get the team involved. So, all of these points that I've been touching on, you know, don't, don't just barge in there from day one and want to change things.

[00:17:21] **Antony W:** You know, listen, learn, understand, build relationships, build trust and rapport, and then, start to try and get the team involved as to what they think the changes could and should be in the business. And you know, the more involved that you get the team members in about creating change, then the more likely they are to implement and to understand and to follow through. Now, I'm not suggesting that they're always going to like those changes because they won't, but if you can at least get them to understand. The upside of those changes, then you are more likely to have them on side because generally speaking, what we're trying to avoid all the way through this is that you do not want to buy a business and to lose all of the team, because if you lose the team, you lose the clients.

[00:18:10] **Antony W:** If you lose the top of the clients, you've pretty much lost all the revenue, but you are still stuck with, you know, a certain amount of the overheads. So, you know. as a generalization, nine times out of 10, that is the last thing that you want to happen. And I say nine times out of 10 because very occasionally, the new owner is quite happy for that to happen because perhaps they've, decided that they want to rebuild the business from the ground up with the culture that they want. So when we talk about teams, we talk about people, we talk about problems, we talk about relationships, we talk about trust and rapport, all of those things. Take us to number nine, and number nine is communication. Now, most problems in life, not just in a business sense, not certainly, not just in a hairdressing sense, but most problems are caused by communication or the lack of communication.

[00:19:02] **Antony W:** And likewise, most problems are solved by communication. So, all I can say, is that number nine is to keep the communication going. Sometimes it might get a bit ugly, sometimes it might get a bit tense. Sometimes, you know, there might be a bit of anger, et cetera. But like anything, part of communication is you need to have open, honest communication. Not everyone is always going to like that. You need to be, you know, tactful about it sometimes, but, or not sometimes all the time. But, um, keep the channels of communication open. and number 10 is try and get them to see the big picture. In other words, you know, they may not, as I just alluded to, like the changes, but if you can get them to understand what the advantages

are of those changes, it's because maybe they're not short-term advantages. Maybe it's a case of you have to go backwards to go forward, but if you can get them to see the big picture of what you know, accepting those changes and working with those changes might be, then they may start to understand and see those changes as an opportunity for the business and an opportunity for all of the people within the business.

[00:20:19] **Antony W:** Number 11 is everyone is replaceable. And I suppose I've touched on that already. Don't ever let yourself be held for ransom. Everybody is replaceable. Now what I mean by that is that, you know, sometimes you might buy a business and it might be, you know, or roses at the beginning, but you might lose a couple of staff here and there. In fact, not, you might, you will, and that is probably quite a healthy thing because it's really not until you start to, to lose people that you really start to own the culture and put your, your stamp on it so you know everybody is replaceable and you will reach a point with certain people that. They may, you know, hold you to ransom, so to speak, because they're productive because they generate a lot of revenue, and you maybe start to cut them a little bit more slack than what you should. So know where the red lines are, know what is negotiable, and know what is not negotiable. And always remember that everyone's replaceable.

[00:21:22] **Antony W:** And last on my list is number 12, and I suppose these are all sort of linked one to the other in varying degrees. And number 12 is take ownership. You have bought this business for better or worse. As I said, you don't really own the culture at the beginning you'd like to think you do. You own the fixtures and fittings, the inventory, and the time on the lease, et cetera. But the culture and owning the culture takes time. And you know, gradually as people do start to move on and you've been there a little while and you start to understand the industry and the people and the clients and the salon, then the culture will become a part of who you are as well. So that is my 12 points to, making the transition as smooth as possible, whether you are a non-industry person who's bought a salon, or whether you are an industry person who perhaps is also going to work behind the chair.

[00:22:16] **Antony W:** I'm sure there's also a lot of good advice in there that might be helpful. I'd mentioned the word hindsight at the beginning. It is easy with hindsight to say that you should have done this or you should have done that. But you know, I always say that. You can't have any regrets about the things that you do. You, do what you do at the time with the information that's available to you, and you make certain decisions. And sometimes those

decisions are a risk, and sometimes you take that risk and it works out, and sometimes it doesn't work out. So, you know, don't, don't have regrets. You know, as I say, you make those decisions at the time, and there's no point in going, you know, with the benefit of hindsight, I would've done this or I would've done that.

[00:22:57] **Antony W:** I suppose it's worthwhile reflecting on those things, but that still doesn't mean that they will, you know, serve you as the golden rule for, the next time that you maybe do this. Okay. So I think that more often than not, as we start to sum up here, the key to successful change is slow but steady change. And as I open this with sometimes, no matter what I say, there is going to be contradictions to that where it's completely the opposite. and where maybe, uh, going straight in there and ripping the bandaid off is the right thing to do. Uh, as I said, except that you will lose some people along the way, and that is not a bad thing.

[00:23:36] **Antony W:** That's okay. Every business needs to evolve, every business needs to reinvent in time. So that's a wrap until next week where I will bring another great guest to you on the Grow My Salon Business podcast. Uh, if you don't already, Subscribe to the podcast and leave us a rating and a five-star review on the Apple Podcast app and please share this episode with anyone that you know who will benefit from it. And don't forget to visit us at [grow my salon business.com](http://growmy salonbusiness.com) for a range of different, free, and paid for resources. we've got many, other videos on our YouTube channel, plus our regular weekly podcast, our books, and all of our online courses.

[00:24:19] **Antony W:** So, until next week, thanks for watching and or listening, and keep safe. Bye for now.

[00:24:26] **Antony W:** Thank you for listening to today's podcast. If you'd like to connect with us, you'll find us at Grow My Salon business.com or on Facebook and Instagram at [Grow My Salon business](https://www.facebook.com/GrowMySalonBusiness). And if you enjoy tuning into our podcast, make sure that you subscribe, like, and share it with your friends. Until next time, this is Antony Whitaker wishing you continued success.