

## GMSB 195 Transcript

[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.

[00:00:28] **Antony W:** Hey, it's Antony here and welcome to today's podcast. I have often talked about the incredible opportunities that are available within the hairdressing industry for those that are ambitious and prepared to put the hard work in. Now for some people, the opportunities combined with ambition lead to opening an independent salon business of their own. But for others, they want a salon of their own, but they see the opportunities that being part of a bigger business presents, and so they go down the franchise route. Now, being part of a franchise business definitely brings with it many advantages and opportunities that a smaller independent salon can't always access. So my guest on today's podcast is Michael Tough, and Michael is from the Headmaster's Salon Group here in the UK, and he has three franchise salons within the group. So in today's podcast, we're going to discuss how the franchise business model works, the opportunities that a franchise business presents, and what the keys are to successful expansion and lots more. So without further ado, welcome to the show, Michael.

[00:01:37] **Michael T.:** Hi Antony. How's it going? Thanks for having me.

[00:01:41] **Antony W:** No, thank you for, I know you're obviously a very busy man, so, I really appreciate you taking time out of your day to, spend time with us doing the podcast. Yeah. Perfect. So, Michael, let's, let's do what I usually do with people. I always start off with essentially getting them to introduce themselves. So who is Michael Tough? Give us your sort of two-minute backstory and then we can, dig into the details. Okay.

[00:02:02] **Michael T.:** So, yeah, I'm, I'm Michael Tough. I've been in the hairdressing industry for almost 20 years. I've got three headmaster franchises in different areas across, London, kind of South east and yeah, started hairdressing at a young age. It's kind of part of me. It's who I am, I love it. I can't imagine doing anything else. And, yeah, ready to go.

[00:02:27] **Antony W.:** Good. Okay. just for context, obviously the, a lot of people in the UK will be very familiar with headmasters as a brand, outside of the UK a lot of people won't, you know, they won't associate with it because they won't know what it's all about. So could you sort of just say what would be the target market of headmaster? how are they sort of positioned as a brand?

[00:02:48] **Michael T.:** I mean, I think we, I'd like to think we appeal or attract a, you know, a wide audience or demographic of clients. but I think, the majority of our clients tend to be female, kind of over 30, between 35, 45. and you know, I think, they just

want that beautiful, beautiful finish, great hair, feel glamorous, and feel good about themselves.

[00:03:16] **Antony W:** Okay. and where would you say you are positioned in the market? At the value end? The budget end, or more at the premium?

[00:03:24] **Michael T.:** The premium end. Yeah, for sure. Yeah, definitely.

[00:03:27] **Antony W.:** Yeah, definitely. I think so too. Okay. Alright. And how many salons do they have in the group in total?

[00:03:32] **Michael T.:** 56. 56 salon.

[00:03:34] **Antony W.:** 56, right. 56. And you had three of them. Okay. So, within those three salons, how many people are you responsible for on your team?

[00:03:42] **Michael T.:** So I've got 52 staff members across the three salons. Windsor has the biggest team with 24. And then Farnham and Cobham have 12, uh, they have 14 each. I think so, yeah.

[00:03:58] **Antony W.:** Right. And, and I know, from our discussion before that, that you actually started with the group as an apprentice. Yeah. So, uh, are we talking what, 16, 17 years of age? Yeah.

[00:04:08] **Michael T.:** Yeah. So finished school, realized that I, the classroom environment definitely wasn't for me. And that, um, an apprenticeship was probably the way to go. And, yeah, stumbled across headmaster as I was out shopping with my mum for the day, walked in, asked for an apprenticeship, and, they interviewed me on the spot in the head-masters site in Gilford. And, yeah, I started a couple of days later.

[00:04:33] **Antony W:** Great. Fantastic. What a, what? A what a great, advertisement for a career in hairdressing. Yeah. Okay. So, Why did you decide? So, you started off there as an apprentice, you did your training, then you became a stylist. Yeah. and obviously you're ambitious. Yeah. And, and you wanted more. And you obviously thought about having, having a salon of your own at some point, obviously pretty quickly, I'm imagining in the journey. why did you decide to go down the franchise route as opposed to starting a totally independent business?

[00:05:00] **Michael T.:** Yeah. I think, if I'm honest, I don't, I don't think I really had the confidence to go out on my own. And I, I think I always thought that to have your own salon, to have your own name above the door, You kind of needed to be maybe really recognized within the industry, maybe really prominent in, industry, competitions and that kind of thing. And, I think I just like, you know, I love the brand. It's what I've always known. And I think, just having that support and just knowing that you are part of something, um, you're never going to feel on your own, I suppose. and yeah, just it gave me the confidence, I think, to, to do it with them rather than going solo. It just, yeah, it just never appealed to me, I don't think, going on my own.

[00:05:45] **Antony W.:** Okay. Okay. So, With a, with a franchise business, when you decide, you know, okay, I want to get a, a franchise, I want to get a salon. How, how does that, how does that process sort of work? Is there a Yeah. You know, is it common knowledge within the group that if you want a franchise you can apply for it and, you know, you'll go through a process? Is there a training program? What does that look like?

[00:06:04] **Michael T.:** Yeah, so I think when I first showed interest in wanting to go down the franchise route, the company was at a stage where we were growing quite quickly, and the whole franchising, um, idea was, was talked about, advertised quite a lot, and the company was growing very quickly. So, yeah, it was something that, we, it, it was kind of part of the journey. I think it was like, right. For me it was always going to be apprentice, stylist, manager, franchisee. That was kind of the path that I knew I was going to take. But, there's lots of other. roots. I could have, I could have gone, but that was kind of the, the route that I knew that I was going to take. So, yeah, it's, it was, um, at, at the, at the time, they, they used to hold, headmasters used to hold franchise evenings where you could go, to head office and they'd, they'd host events to talk about, what it was, what it entailed, and what it involved and yeah. So it was.

[00:07:03] **Antony W.:** Okay. So how old were you when you got your first son?

[00:07:05] **Michael T.:** So, Windsor was the first one. So Windsor is six years old now, so I was 29. I always, oh, okay. I always had a, had it in my mind that I wanted the first one before I was 30 and I just, right. Just got into the Windsor salon six months before I turned 30. So I was on a bit of a mission with that one.

[00:07:25] **Antony W.:** Okay, so, so you spent a fair bit of time in a management role? Yeah. A stylist role, then a management role before you took that next step? Yeah. Yeah.

[00:07:33] **Michael T.:** I yeah. Okay. Yeah. Managed, went on to become manager or assistant manager of the first salon that I worked in. of the first headmaster salon. And then the, the franchise owner of the first salon that I worked in went on and opened another franchise and then the opportunity came up for me to manage that as salon manager. So, I went on to the next salon and did that. So yeah, that's how the journey started.

[00:07:58] **Antony W.:** Okay. Alright. So, one and then two and then three. Yeah. ambitions. Ambitions for more.

[00:08:04] **Michael T.:** I don't know, I think, I feel like I've got a good balance at the moment.

[00:08:10] **Antony W.:** Okay.

[00:08:11] **Michael T.:** And yeah, I can't. I can't quite work out if I could spread myself anymore, but, you know, never say never. if an opportunity came along and it felt right then, yeah, I'm sure I could dissuade.

[00:08:26] **Antony W.:** Yeah. So, when you have, when you, started the second one or the third one? Yeah. was that, um, you know, were they new locations or were you taking over an existing location that someone else had that they wanted out of for whatever reason?

[00:08:40] **Michael T.:** Yeah, so Windsor, the first salon is the only location, which was a brand new location. And the second and third salons were both, takeovers from, ex uh, previous franchisees. So, yeah, they weren't, they, I wouldn't say they were rescues, but both of them needed improvements. Yes. So yeah, they, I think the hard, the hardest part of set of setting up a salon is the early days and it's, you know, it's, it is being in there all day, every day. getting your name on the map within the local area and all that kind of stuff. And I think that, the second and third salon that had, that had kind of already been done for us or for me. So it was, yeah. A little bit easier with those two, I think in some ways.

[00:09:26] **Antony W.:** Yeah. That, that's interesting. As you're talking about that, I'm thinking that's another advantage of being in a franchise business Yeah. Is that you've always, you've got an easy exit to sell to someone else. Yeah. Where, whereas if you've got an independent salon and a lot of independent salons, they're never sold. They just closed down and walked away from it. Yeah. Uh, whereas if it was a, I know you said it wasn't, but if it was a rescue situation where someone thought, look, I just can't do this, this just isn't working. Yeah. That they have an easy way out of that to get someone else within the group to take their business over. Yeah. so that's, that's yet another advantage of being in a franchise. So, you know, on that note, what have been the advantages and disadvantages do you think if someone was looking at, a franchise opportunity, what, what would you say? Well, listen, these are the advantages, these are the disadvantages.

[00:10:18] **Michael T.:** So I think, I think, you know, part, being part of. Something bigger. the heritage, the support that you get from the brand, from, a marketing perspective. but, you know, and I think being part of that, there's a real kind of safety blanket. but from a disadvantage point of view, there are times where potentially different, I don't know, different campaigns maybe, may, may not work for your different areas, or the salon's needs might be different.

[00:10:48] **Antony W.:** So, for example, one Salon, might be really established and doing really well, and then we go doing a color sale across the whole group. and the salon that's doing really well doesn't really need it, but the other two might do. yeah. Yeah. So, you know, there's, there's times where campaigns and things like that maybe work or don't work. but I would say that the advantages definitely outweigh the disadvantages.

[00:11:12] **Antony W.:** Yeah. Are you, are you still behind the chair?

[00:11:15] **Michael T.:** Yeah, so actually this year I took, I made the tough decision to cut down another day. So at the moment I do one full day of hairdressing in each salon. and yeah, and then sort of float around meeting the managers and, working and coaching them the rest of the time. But yeah, it's, um, that's probably one of the hardest things actually was stepping back from my clients because, you are, you're a hairdresser, but at the heart that's what you are. And then when it all went, when the job kind of, or the, your role evolves and you are maybe not, you're not just a hairdresser anymore, you're just, you're, you know, you're the business. You've got to think about the business as well. It's, yeah, that's quite a difficult, transition. That's something that I've definitely struggled with.

[00:11:59] **Antony W.:** Yeah. Yeah. what do you enjoy the most? I mean, obviously you enjoy business. Yeah. But obviously you did enjoy here. Has it been part of your journey and you're really sort of thinking, I love this part of it, the business element and, you know, being responsible for a team and bringing other people on?

[00:12:14] **Michael T.:** I do really, I do really enjoy the business side of it. I think I like the balance that I've got. I like being able to still do some hair. I like being involved with, looking after the managers, supporting the managers. and, now I've got a bit more time or I've, I've given, I've allowed myself more time, being able to focus on actually expanding and growing the business rather than just feeling like you are just surviving each week by week and just trying to get through the week. So, yeah. No, I, I enjoy, I enjoyed how varied it can be. I don't, I think I've got to a point where just standing behind a chair all day probably wasn't enough for me anymore. Um, sure. So that's why, having. The variety of going to different salons and each salon's needs are so different. So getting your head in the game for each salon as your head in there and yeah, just adjusting, I think.

[00:13:07] **Antony W.:** Yeah. Okay. And, with franchises, I know there'll be a lot of people listening to this that were, they'll be curious about, well, how does a franchise actually work? how, basically, how do you pay the group? Do they take a, a percentage of what your total revenue is or is it a fixed, amount of, in our case, pounds or dollars or euros depending on, where our listeners are? how does that actually work?

[00:13:32] **Michael T.:** Yeah, so it is, it's done as a percentage of your turnover. it's roughly 9%, On your turnover. And then there's a small fee for marketing and, art team contribution as well. but yeah. Right. it's essentially a percentage of your turnover. Yeah.

[00:13:51] **Antony W.:** Right. Okay. Now I'd need to jump in there and address something too. North American audience, they don't use the word turnover, right. Uh, when they talk about sales revenue. Okay. They, they will call it sales revenue or total sales. And so where it gets confusing is when we say turnover, right? They use the word turnover purely to mean staffing. Oh, okay. So, so when you talk about total turnover, what you are meaning is total sales? Yes. Total rev, total revenue that's generated.

[00:14:18] **Antony W:** Yep. And then, and out of that, as you just alluded to, you get some other sort of benefits. So you said a marketing and a training fee. Is that included in that or is that on top of that?

[00:14:30] **Michael T.:** Yeah, so the, so as part of your, franchise fee, you get support with your accounts, Payroll, HR, yeah, lots of different, support with marketing, you know, social media, all that kind of stuff. Sorry.

[00:14:49] **Antony W:** So, no, no. So, so those costs are all absorbed within that 90% that you take off the top within. Right. Okay. Yeah. That's good. so you don't have to do the payroll or you do still do the payroll yourself, or That's all answer.

[00:15:02] **Michael T.:** Yeah, it's done, it's done by headmaster. yeah. You know, I, I need to let them know what everyone's doing, essentially. but yeah, they do the payroll for us. Yeah.

[00:15:12] **Antony W.:** Okay. All right. I think people are often curious about how that side of it works, and, and that is one of the huge advantages. You get so much, support as being part of, something bigger. And, you get, access to, a lot of resources and people and, information. And as you've alluded to a couple of times, training and marketing. And I know that headmaster are very, big and always have been big on the training and marketing side of it. I know you even have your own academy, don't.

[00:15:39] **Michael T.:** Yes. Yeah, we've got two academies actually. one academy that's specifically for apprentices, for them to gain their apprentice, uh, sorry, hairdressing qualification. And then we've got our senior academy in London, which is more for stylist education.

[00:15:54] **Antony W:** Right. Okay. And how do you. Finance a franchise. So if you are, I mean I'm not asking you what your personal financial situation is, but if you are a, you said 29, uh, 29 year old stylist and you're thinking, I want to have a franchise. Yeah. But it's going to cost cause they're the headmasters, fit-outs are beautiful. You know, they, as you said at the beginning, they're you aim for the upper end of the market. I'm not sure the exact term you used, but that's basically what we were saying. it's more the, the sort of affordable, luxury end of the market. Yeah. And your salon fit-outs, are very much reflective of that. So I suppose what I'm saying is they're not cheap.

[00:16:34] **Michael T.:** Yeah. It's beautiful , but expensive

[00:16:35] **Antony W:** Yeah, exactly. And the locations that you are in Yes. You are in, are not cheap either in terms of rent, et cetera. Yeah. So as a young 29 -year -old or whatever age someone is Yeah. Thinking I want to get a franchise with headmaster that it's going to cost. X hundred thousand to fit out a salon because you're probably talking two or 300 grand I imagine in a lot of cases. where do they get their hands on that sort of money? Or does the business finance them into it? Does the business sort of act as a bank?

[00:17:02] **Michael T.:** Yeah, so the mine, I'll be, I'll, I'm happy to be honest with my situation. It was a combination of, uh, a lot of saving, a little bit of help from mom and dad and, um, and then a big fat bank loan from HSBC.

[00:17:18] **Antony W.:** Right. Okay, good.

[00:17:19] **Michael T.:** So, yeah. Yeah, that's how it was funded.

[00:17:22] **Antony W.:** Well, it, I think it's always good that you've got that skin in the go. Yeah. You know, especially at the beginning that you say like savings. So, it's a goal of yours you're putting money aside from this, and it's handy if you can have the bank of mom and dad and then, you know, an inevitable sort of bankrupt. Yeah. Let me ask you this about being a franchisee. I mean, you are obviously a successful franchisee because you've got three salons under your, ownership. What is it that makes someone a successful franchisee, not just in headmasters, but in any salon group or any, or in any franchise business? What are the, the keys to success?

[00:18:00] **Michael T.:** I think, I think a big part of it is, you need to make sure that you're engaging with the brand. I think it's about acknowledging the advantages and the disadvantages. but, you know, knowing when to, I think creating a strong culture is really important from the offset. recognizing the advantage, advantages and disadvantages, but also knowing when, when to pick a fight.

[00:18:28] **Michael T.:** You know, when you know, is that worth, is that something that I. I want to stand up for, or, I might, can I work with that? it's, it's about sort of give and take, I think.

[00:18:37] **Michael T.:** So yeah, I think it's about I supporting the brand. I think loving the brand, that's a big part of it as well. You know, that's something that I've always, it's always been really important to me from the beginning. I've always been part of it. and, you know, Believing in what we're all about, I guess.

[00:18:56] **Antony W.:** Yeah. Okay. And when you got the first one up and running Yeah. And then the opportunity came along, What was it? Were you looking for the second one, or did the opportunity just come and someone said to you, Michael, the first one's going really well, there's an opportunity to take over another one. Are you interested? Did you go, hell yeah. Or was it like, okay, I've got one. I want to get to three as fast as I can. Yeah. What was that sort of strategy?

[00:19:21] **Michael T.:** Yeah, so the, the plan was never to have more than one. The plan was always just to have one, and then the opportunity came up for number two. and you know, I'll be honest. It, it didn't entail a huge amount of financial input, because of the situation. And yeah, I think it just felt right. It felt like the right thing to do. I had great support and a great support team with my managers at Windsor. which was the first salon and I think that, um, yeah, it just kind of fell into place and it's like, it's one of those things, isn't it? If you don't, if you don't jump in and do it, um, are you ever going to know, you know, you've just got to kind of throw yourself into it and hope for the best.

[00:20:04] **Antony W:** Yeah. Well that's actually something I was going to ask you. What, when you just said you throw yourself in and you, you don't know if you don't try. Is there anything you wish you'd known before you became a business owner?

[00:20:16] **Michael T.:** yeah. How hard it was going to be. How, how little you were going to be able to pay yourself for a really long time. Yes. Um, but you know, I think now, you know, six, seven years down the line, those, those kind of memories feel like distant memories. But when, we have, as a group, we have quite demanding opening hours. We're open seven days a week, And when you are in that first salon, you don't ever want anyone else to be there without you, you know, you're there seven days a week, 12 hour days.

[00:20:49] **Michael T.:** I think the excitement of having your own business and being your own business, being the boss, I think that that over that excitement kind of overtakes everything. And then when, when you're in the reality of it, you kind of realize how hard it's going to be. But yeah, thankfully that's in the past and it's all got a lot easier.

[00:21:07] **Antony W.:** Yeah. Okay. So what would you say the key is to successful expansion? Because as you said, like you've got three Yeah. And you're sort of feeling, I've got a sweet spot here and this is quite good. Uh, is there more, is there anyone else in the business that has three or more than three?

[00:21:26] **Michael T.:** Yeah. Yeah. There's a group, there's a couple, a couple of other franchisees, um, that have more than one. my business partner, he, so my business partner is actually the franchise owner of the franchise that I started in. right. So, he has two other salons as well. So he has five, he has, he's a part of five salons altogether. And there, yeah. And then there's another co, a couple of other franchisees that have more than one. I think the key is probably having a, you know, is having presence in the salons. And although that's getting harder with having more, but having the support of a great team around you, you know, the support of your managers, and you know, just kind of checking in with them, making sure that, they're happy. but definitely having, having presence I think is really important and, and making sure that you're seen as much as possible for sure.

[00:22:22] **Antony W:** Yeah. Okay. So that's why you spend time in all three salons behind the chair. Yeah. And you are, you are very seen by everyone who works with you.

[00:22:29] **Michael T.:** Yeah. I think you need to be leading by example, you know? And I think that people need to see you. They need to see you with clients, see how you engage and interact with clients, and, see what it's all about. You need to be able to Yeah. Direct and steal the boat from the front.

[00:22:46] **Antony W.:** Yeah. Okay. So let me ask you this question as a. salon owner responsible for, how many people did you say? 56 odd people.

[00:22:53] **Michael T.:** 52 I think. Yeah.



[00:22:55] **Antony W.:** 52 people. So there's 56 salons. Yes. And you've got 52 people, that you are responsible for in your three salons. Yeah. So I want to ask you that question. What, what is the key to getting your team productive? Because if you don't have a productive team, and that's often the thing when people expand and go from one salon to two, to three to four, is that they recognize they can't be everywhere at once. And so productivity levels start to slip. Yeah. what would you say the key is to, to driving a productive team?

[00:23:27] **Michael T.:** So I think it's all about creating inclusion. definitely, making sure that you are. offering opportunities for people, um, offering, growth. People want to be able to feel that they have opportunities to grow and develop their skills. but, I think it's for, everyone's, everyone's different, but potentially, leading by example is key. creating different incentives we competitions maybe, We also do, like regular appraisals, so we call them PFSs, which are personal focus sessions. we try to do those every six to eight weeks with each team member. Yep. But yeah, just, just checking in with people, making sure that they, they're okay and, you know, not being out of reach I think is important. I think all of my team members know that they could call me any time of any day. And I'm always there for them. So yeah. Being supportive and just being there for people.

[00:24:28] **Antony W.:** At a personal level, not just a professional level.

[00:24:30] **Michael T.:** Yeah, I think so. I think it's important. Yeah. Yeah. To, and to really look after people. That's, that's definitely the key, if you want people to work wealthier and to work hard for you, you've really got to, you've really got to look after them. So, yeah, I think that's really important.

[00:24:45] **Antony W.:** Okay. And if you've got people on the team that are not performing, that it's all a one way street. Yeah. And, and you are putting a lot in to grow people and develop people and create opportunities for them, but they just aren't budgeting. Yeah. what's your Sort of approach to that because I mean, I, I think headmasters is a great brand. I think it's a, a, you know, they occupy a really good, niche positioning or niche positioning, in the market. But inevitably, any business, you're sometimes going to have people that simply, you know, they don't make it, they don't make the grades, so to speak. Yeah. how do you personally deal with those sort of situations?

[00:25:22] **Michael T.:** Well, firstly you need to find out why they're not performing. If they're you know, for, for a reason. If they're under underperforming, is it that they need more education? Do they need more support? do they need more one-on-one time, more coaching? normally it's one of those things, normally it's one of those reasons. And if it's not, then they're unhappy about something. and then, you know, you just need to dig a bit deeper and find out what it is that they're maybe not happy about. And then, if you've, I think if you've ticked all of those boxes with education, support, growing their knowledge, their confidence, all of that stuff, if you've ticked all those boxes and they're still not performing, then we tend to go down more of a performance review route. So we'll set them targets, and they would be expected to hit those targets within a timeframe. And, we would kind of manage it in that situation, in that route, I would guess I would say.

[00:26:14] **Antony W.:** Right. So you manage them. Their performance to improve or you manage them out of the business. Yeah. Cause ultimately that's what you effectively, yeah. Okay.

[00:26:23] **Antony W.:** Okay. Alright. Well one of the things that I often think is a problem, like most salons don't even get to their 10th birthday. Yeah. Okay. Most small businesses do not last, uh, 10 years. Uh, and that's just a reality, not just in hairdressing and business full stop. You know, most small businesses don't actually achieve their 10th birthday, and that is, One of the great advantages, again, of a franchise is that if, you know Joe Schmo goes out today and opens their own salon, the odds against them succeeding are big. That is just a reality that most salons don't succeed. However, if Joe Schmo goes out today and opens a salon as part of a franchise, the odds of them succeeding are dramatically increased because of the infrastructure and the, the support and the brand, uh, recognition, et cetera around them, which is, you know, another advantage of, of people getting into, uh, a franchise. But there's an expression. I don't know who first said it, but, I'll use it here because it's very relevant. Is that for well-established businesses, it's not just about getting new ideas in. Yeah. It's about getting old ideas out. Yeah. Yeah. Now you are young. Okay. You may not be too young, but I still think you are. You are very young. So and you sort of alluded to this a minute ago, maybe that wasn't what you were really meaning, but, I suppose what I want to ask you about is this. Your team are even younger Yeah. Than you. Yeah. So major majority of your team just being this industry, are going to be in their twenties. Yeah. And one of the things that a lot of salon owners these days really grapple with all over the world is, and it's maybe been amplified through Covid, and that is that people want have different work life expectations now.

[00:28:15] **Antony W.:** They have a different balance. Yeah. And a different work ethic. They want different things. And I suppose if there was one word that summed it all up, it would be flexibility. So I suppose where I'm sort of going with this is that. As part of a big group. Yeah. It's often that's been established for a long time. It's often hard to change the direction, the values that the way we do it here. Yeah. Okay. But to be successful today, you need to change. Yeah. So what I'm asking you is flexibility's a bud's word of today. Most of your team are probably in their twenties. What do you do as a salon owner of three salons with 52 people responsible for? What are some of the things that you do today to create more flexibility that if you went back in time, 10, 15 years when you were starting out, that there was just no way that that would happen?

[00:29:10] **Michael T.:** Yeah. this has been a difficult challenge, you know, like you say, since Covid, creating more flexibility people's. People's kind of work life balance struggle has been, um, has been more prevalent. But I think, we have, we've tried our best to be as flexible as we can. Um, but I think it's about compromise and making sure that, people, un staff members understand the balance of what it's all about really.

[00:29:39] **Michael T.:** Um, I think we, we, we are happy to be flexible with working hours and days and, hours that they work and that kind of thing. But, we've got to, you know, at the end of the day, we've got a business to run and we need to, we need to meet the business needs, the client needs and the, the staff member's needs. So, it's been a struggle across, across that, I think. But I would say we are doing all right with

it. You know, we, I, we haven't lost, I don't think I've lost anyone because of not being flexible enough. and, it would be really important to me if I had lost somebody because of that, it would be important to me to, to learn from it and, review what we're doing and if there's anything that we can do to be more flexible, then we will do.

[00:30:23] **Antony W:** Yeah. And is that something that sort of comes down from the top, so to speak, as part of a bigger group? Or is that Michael's own, you know, sort of experience that as a young guy, as a young salon owner with a group of young people that of course you need to be more flexible, like, how does that work? is it something that is an organization with 56 salons that you have, like, managers meetings where you toss all this sort of thing about, and you are constantly evolving what your standards, values, expectations are as a brand? Or, or is it something that's been more, uh, individual and it's Michael's take on how things need to be?

[00:31:00] **Michael T.:** I think we always, I mean, as, as a group, we have, uh, we do have regular, meetings as, as managers. Um, you know, also some of the other franchisees and managers have become my friends over the years. So I've, I can discuss things with them if I want to, but I think, I've always, um, I've, I've always made sure that I've got my ear to the ground and I know what's going on with the teams and I like to try and put myself in their position and, if I, I would never ask something of them that I wouldn't do myself, I think that's the bottom line, and that's important. So, I definitely, um, have tried to be as adaptable and flexible over the years as much as possible. Really.

[00:31:43] **Antony W:** What are some of the hurdles that, that you've had to overcome as a business owner?

[00:31:48] **Michael T.:** I mean, COVID was tough. Covid was really tough. Um,

[00:31:53] **Antony W:** now, was that an advantage to be part of a big group?

[00:31:57] **Michael T.:** Definitely. I, you know, the fact that we had, we had the directors and some of the senior management team for headmaster. they had the information that was Ava, you know, it, it was available to us, but maybe wasn't very easy to understand or, some of the, support that we got from the government and that kind of thing. it was, it was fed to us from the senior management team and they were, they kind of guided us through it. that was, that support was definitely much needed at that time. But yeah, I remember when we had that, that call to say we were closing the doors and we didn't know when we were reopening again. That was, that was scary. Yeah, very scary.

[00:32:37] **Antony W.:** I can imagine. Yeah, definitely. Definitely. and one of the things that you touched on before. When you said you, you know, went from one salon to three salons, and you, you've sort of touched on it a couple of times, you said they're very different salons, they have different demands, different, situation there. as you are talking about that, I'm thinking to myself Yeah, the culture is different in each of those salons. Yeah. that word culture is a difficult thing to sometimes nail down as to what exactly do you mean by that? Yeah. But yeah, the, the culture is different in those

different salons as well as the location and, obviously maybe that some of them have got a newer decor or an older decor or whatever. But what I want to ask you is, what's the key to creating a salon culture because if you are taking over your first salon, you sort of alluded to the fact that it's got a really good culture, it's a successful business. Yeah. And then you are taking over a second one that maybe didn't have quite the culture that it needed. What are the things that you try and do to change to, to give a business the culture that it needs to succeed?

[00:33:41] **Michael T.:** Well, I think it's important to make sure I, I've said this before, but it's, it's important to be leading by example for sure. And then you need, I think you need your managers to almost be thinking like you think, you know, I don't want them to be robots or clones of me. I would definitely want them to do it their own way and find their own individual way to manage. But, it's about getting them to, have, have a is very similar thought process in how they would deal with things. similar to the way you would deal with things. But like you say, it's about. I would say about creating consistency within the salons, and making sure that what you are doing is consistent across the board. but it's, it is, you are, it's, it's tough to build a strong culture within our salon. but once you've got it and it's there, it's amazing when you can stand back and look at it and realize, that's what we've created, that strong culture.

[00:34:36] **Antony W.:** yeah. Again, some of that comes from being part of the franchise, isn't it? Yeah. Because Theen, the franchise itself has a culture, has a brand ethos, has a, has an identity about it, which already establishes that to some degree, I guess. But ultimately the culture is always about the people in it, isn't it? You know? So if the business isn't working, it's obviously, well, not obviously, it's sometimes because the people in that business, it's not working because of them. So we need to change the people around to change the culture that there's an expression, I've always loved it. It's change the people or change the people, uh, if you get what I'm saying. Do you know what I mean? Like, and because that is what changes the culture. The people make up the culture. Yeah. So, yeah. Sorry, I interrupted you.

[00:35:24] **Michael T.:** Yeah, no, I was just going to say that, but you know, part of being, part of being a strong leader is about repeating yourself, and repeating the same message. For, for pe for it really to get through to people and, sometimes you'll get sick of saying the same thing over and over and over again, but Just cause you are saying it over and over again doesn't mean that they've had it over and over again. So, to really embed that culture within a team, I think you just have to become a, a puppet that repeat, well not a puppet, but something that repeats the same thing over and over again to get that message across.

[00:36:02] **Antony W.:** Yeah. Okay. Alright. one of the things I wanted to ask you about was retail. Yeah. Because, I know that, your business is a, you know, it's a successful salon at every level and retail has always played, a big, part in the head masters brand. So, talk to me about retail. What percentage of your, uh, total revenue. Would, uh, come from retail?

[00:36:23] **Michael T.:** So this really varies from salon to salon. I mean, at the moment the Windsor salon, so my first salon, the average is around 16, 17%. but the newest

salon, the, my fan salon kind of fluctuates from like 11 to 14%. So it really varies anywhere between 11 and probably just under 20%, I would say.

[00:36:47] **Antony W:** Right. Well, they're still good numbers. Yeah, they're good numbers. You know, they're certainly, they're certainly way above the average Yeah. For, uh, salons in the uk to be doing those sort of numbers, which is good. and do you find, that, you know, in your time in business, is that changing? I mean, basically I'm asking about the internet has, has online sales impacted. On your, in salon retail, or is there no direct correlation at all?

[00:37:15] **Michael T.:** I think that's really hard to measure, isn't it? I don't know how we would ever measure whether that's really affected us, but, the message that I always put across to the teams is that all we can do is make sure that we're educating our clients as best as possible.

[00:37:29] **Antony W:** So that they feel, whether they buy the retail from us or they buy it online, that we're educating them, advising them, recommending them as much as possible. And whether they go and buy it there or they buy it here, we've still done our job, you know?

[00:37:43] **Antony W.:** Yeah, exactly. That's exactly my take on it as well. So, when we talk about, your team Yeah. Uh, as part of a franchise business, uh, Do you, are you responsible for how they're paid or is it a system that runs right through the franchise business that this is how we pay our people? Yeah. They earn a set wage, they earn this percentage, blah, blah, blah. how does that work?

[00:38:10] **Michael T.:** Yeah, so it's a structure that's, created by headmasters that runs across the whole group. it's a commission, well, it's a fixed, um, it's a fixed basic pay structure that, Also has bonuses with, as part of the commission structure. So there's an initial, basic pay rate, and then they, they basically take either or, so it's the greater of the two. So once the commission outweighs the basic pay, then they take their commission. As opposed to the basic.

[00:38:44] **Antony W.:** And is it a flat commission for everybody or is there a staggered commission system? How does that work?

[00:38:49] **Michael T.:** Yeah, so the commission grows, so it starts off at 30%, And then it goes up to 50%. So when they hit a certain amount of, of takings within that week, then the commission goes up to, the commission grows as their takings grow.

[00:39:05] **Antony W:** Okay. So it's very much those commission percentages, the triggers are very much based on performance percent. They're not based on. How long you've been there or how old you are, or you know, anything like that. There's a very clear system that everybody can see. Yes. It's transparent. Like the reason he's earning more or she's earning more is because she does more. Yeah. So if I do more, I'll learn more as well. Yeah, yeah. You've just got, okay.

[00:39:32] **Michael T.:** You've just got to be good at what you do, look after your clients and um, yeah. You know, be busy.

[00:39:38] **Antony W.:** Okay. So, how many different levels do you have in the salon? Like, what is it like stylist, top stylist, senior stylist, how does that

[00:39:45] **Michael T.:** Yeah, we've got a few, actually, I think we've got eight different levels. So it starts off at stylist, uh, then senior stylist, designer, master head designer. So yeah, there's a few levels. and I think it basically works out at about a 5% increase per level. and then when you get to the top couple of levels, it's a little bit more than 5%. But yeah, it's roughly 5% growth on each level.

[00:40:11] **Antony W.:** Okay. And, in terms of the price point for their work,

[00:40:15] **Michael T.:** Yes. Yes.

[00:40:16] **Antony W.:** How they're charging. That goes up like a 5%.

[00:40:20] **Michael T.:** So we have the, we have two separate different, so there's two sides to that. There's, there's four levels within colour, yeah. And, basic level being technician and going up to L'Oreal colour specialist. And then there's eight levels within cutting and styling.

[00:40:35] **Antony W.:** Right. Okay. and so what determines when you get promoted from one level to the next. Yeah. Is there, is it like client retention rates or rebooking rates or average bill or what is it that says, okay, you are ready to go from a level two to a level three?

[00:40:50] **Michael T.:** Yeah, so it's a combination of a few things. It's a combination of their rebooking, their request rate, and their overall takings obviously. We, we look at their skillset within that as well, to make sure that they're. Their skillset reflects where they're at. But I think it's, it would be quite difficult to be, to have a, a high client retention and a regular request rate and all that kind of thing. If you weren't, if you didn't have the skills to support it. So yeah, the, the work, the way we measure it is through retention, client retention, rebooking, future appointments, that kind of thing.

[00:41:28] **Antony W.:** Right. Again, so very clear set of numbers Yeah. As to like, there's no favoritism about it.

[00:41:33] **Michael T.:** Do you know what I mean? No. There can't. There can't be.

[00:41:35] **Antony W.:** Yeah. Yeah. No, I, I totally agree. Again, you know, but you'd be amazed how many salons don't have any metrics like that. If I ask them that question, I say, well, I just, when it feels about right, I put someone up. Well, you know, and it just, it, it doesn't, it can't just

[00:41:50] **Michael T.:** Imagine that would upset so many people.

[00:41:53] **Antony W.:** Yeah. Yeah. Exactly. So, as a, uh, a salon owner with three different salons, with stylists at different levels, what would you say an average, not an average, a good stylist, what sort of revenue would you expect them to produce? Full-time stylist working 35, 40 hours a week, whatever full-time constitutes, what would you expect them to produce in sales in a week? Is there a sort of a ballpark figure that you put on that?

[00:42:24] **Michael T.:** I don't think so. I guess it's about making sure that they are happy with what they're earning as well, you know? Yeah. Um, so from a business perspective, they need to not be in made up wages, so we, so that we are not topping up their wages, but from their side of it to make sure that they are happy with what they're earning and, and that it's going in the right direction. But no, in terms of their, in terms of their revenue, it varies from stylist to stylist. It could be, once you know, somebody at a lower level, an average week could be 1500 pounds, and then someone at a higher level could be 3000, 4,000 weeks. it's a really difficult one to put a number on.

[00:43:04] **Antony W.:** Yeah. Yeah. Good. Okay. That's good.

[00:43:06] **Michael T.:** Okay. social media, I mean, you are of an age where probably when you started hairdressing it was just, you know, well, no, it didn't exist, but, um, very quickly it started to exist and it's made a massive impact on hairdressing, on the industry.

[00:43:24] **Michael T.:** Yeah, sure.

[00:43:25] **Antony W.:** How, how big a role has it played in your business?

[00:43:29] **Michael T.:** Huge. I mean, I think it's evolved. it's evolved the salons hugely in terms of, the team, the team's kind of involvement in it, you know, how, how we are now needing, to capture every moment and, and put it out there for our clients to see. but also from a client's perspective, their needs are so much greater, because they're so exposed now to what's available online. And, they see these incredible transformations that are, they are led to believe happen within a finger click and, you know, they can go from black to blonde. So expectations from clients. are difficult. and that's a challenge that we face in the salons is managing client's expectations because of social media. but there's been a lot of positives and, I think it inspires and excites the team to be involved in social media. I think, you know, the teams love to be, in a meeting to be gathering content or working on just a, an entertaining, funny little TikTok reel or something, you know. and b bizarrely, something we've been looking at recently is how clients aren't really giving us the interaction that they used to give us on hair posts. So if we post the beautiful before and after, it doesn't get the same amount of interaction that it used to get. Mm. Whereas if we post something that's about the team and what they're up to in a, a day in the life of Holly, the manager, and some of the transformation or transformation she's done today, then it, it gets a whole load of

interactions. So yeah, clients are nosy. They want to see what we're doing, they want to see behind the scenes.

[00:45:10] **Antony W.:** Yeah. Yeah. Does it, does it generate a lot of new business work?

[00:45:15] **Michael T.:** I think so, again I, that's hard to measure. and you know, the it side of it, I've, I probably don't know how much clicks turn, you know, what clicks turn into bookings. I'm not quite sure on that kind of thing. But, sure. But yeah, we definitely get a lot of inquiries. Um, which we try and turn into consultations, so, yeah I hope it does, but again, I feel like it's hard to measure.

[00:45:40] **Antony W.:** Yeah. Well, one of the things that you would've, experienced is that at the beginning of your career, I don't know what percentage of hairdressers were employees, but I do know now that in the UK, 64% apparently of hairdressers are self-employed. Yeah. and there's lots of reasons behind that. Obviously, for a business like headmasters, everyone who works for you is an employee. Yes. Aren't they? You don't have any self-employed. Everyone is an employee. Yeah. what are your thoughts about that? How do you. How does that impact on your business, the sort of changing business models and more people, uh, wanting to become independent contractors or self-employed? Does that create any problems for you?

[00:46:22] **Michael T.:** I think, yeah, it, there has been times where it's felt that we, you know, recruitment was really tough and that we weren't getting people walking through the door, especially people with experience, people with, um, or stylists with experience. But actually recently I'm finding that people are coming back to the salon.

[00:46:40] **Michael T.:** I've, you know, probably over the last six months, taken on a few stylists that maybe weren't used to work for us that left and are coming back. So I'm starting to see people or, or hairdressers, stylists coming back into the salons, to be a part of that culture again, and part of, part of a team, part of the, you know, what we have to offer, education, all that kind of stuff. So yeah, I'm actually seeing people coming back.

[00:47:03] **Antony W.:** Okay. That's very interesting. So, they've gone out and tried it. Yeah. And realize that there's actually a lot that went on behind the scenes to support me here to become the person I've become. Yeah. And on my own, I simply don't have the time, the resources, or the will to do it. Yeah. Yeah. And so, they want to be part of something bigger. that's very interesting to hear. Yeah. Okay. Uh, let's talk a little bit about your personal skills before we wrap up. I know it's always hard to answer this question, but, aside from your sparkly eyes, your sparkly blue eyes, what would you say your biggest strength is?

[00:47:38] **Michael T.:** So I think something that I've always been really good at is, is creating strong teams. the mentoring side of it. The coaching side of it. So yeah, creating strong teams of people that want to work hard for me, I guess, and, and work with me and to create bigger things, I hope.



[00:47:59] **Antony W:** Okay. Alright. That's a, that's a, that's, that's a great attribute to have. So, and what about you personally? What is it that, that drives you? Um,

[00:48:09] **Michael T.:** Well, I, I love to see people do well. I love to see people achieving great things. but what drives me nice holidays. Yeah. Um, yeah, just getting that balance. I think it's about, getting that balance and getting, Looking forward to, you know, what's around the corner and yeah, seeing people do well, for sure. Yeah.

[00:48:30] **Antony W:** Good. Okay. What do you wish you were better at?

[00:48:33] **Michael T.:** That is a hard one, but being able to switch off, I think as a business owner is really difficult. probably not sweating quite so much about the small things. I wish I was better at that at times. But yeah, learning to switch off is something that I haven't quite mastered yet.

[00:48:51] **Antony W:** Okay. And we sort of started at this at the very beginning, and so it seems appropriate to wrap up with it. You started, as an apprentice stylist, manager, then salon owner. What is the most important thing that you've learned? as a leader, as a manager, what would be the thing that you'd pass on to someone and say, do you know what, if you want to succeed as a leader, yeah. This is what you need to always remember. What would it be?

[00:49:20] **Michael T.:** So probably rationalizing things. there are times where, you know, like I said in your previous question about sweating some of the small things, it's, about putting things into perspective and, focusing on the end goal, knowing what you're working towards. And, Yeah, just having a strong direction I think is definitely really important. And having people around you, your friends and your family or, or a supportive partner, which I definitely, um, relied on heavily in the early day for sure. Yeah.

[00:49:54] **Antony W:** So Michael, unfortunately it's a time we started to wrap up. I've really enjoyed talking to you and I want to say thank you so much for sharing. So openly and honestly, what it's like being, part of a franchise group because I know a lot of people will have learned an enormous amount from that. So thank you, ever so much for being so open and honest about that.

[00:50:15] **Antony W:** Okay. So, where can people connect with you on Instagram or other social media channels?

[00:50:21] **Michael T.:** So, we're at Headmasters UK. it's probably our main, Point, uh, on Instagram. and then we're Headmaster Windsor, headmaster underscore Farnham, or Head masters underscore Cobham, are my three.

[00:50:36] **Antony W.:** Great. Okay, well, I will put those, links on our website, Grow My salon business.com, and in the show notes for today's podcast. So if you are listening to this podcast with Michael and have enjoyed it, then do me a favor, take a screenshot on your phone and share it to your Instagram stories. And don't forget to

subscribe and leave us a rating and review on the Apple Podcast app. So to wrap up, Michael Tough, thank you for being on this week's episode of the Grow My Salon Business podcast.

[00:51:05] **Michael T.:** Thanks for having me.

[00:51:07] **Antony W.:** Pleasure.

[00:51:08] **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](http://growmy salonbusiness.com), or on Facebook and Instagram at Grow My Salon Business. And if you enjoyed 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.