

Episode 304

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[00:00:05] Hey there, and welcome to another episode of the Grow My Salon Business podcast. I'm your host, Antony Whitaker, and whether you are a returning listener or perhaps this is your first time, either way, it's great to have you join us here today. This is a podcast for the ambitious stylist and salon owner where every week I either bring a guest on the show or I dive into a new idea, or I revisit the foundations of what it takes to succeed in the salon industry today.

[00:00:31] On a recent episode, it was episode 291 I spoke about the reasons why some stylists earned so much more than others. And in that episode, I focused on the mindset and behaviours of those top-performing stylists. I refer to them as the unicorns. They're people who generate between US dollars, 400,000 a year to half a million dollars a year behind the chair, as well as the much larger group producing between say, 200,000 to 250,000 a year behind the chair annually.

[00:00:58] Now, regardless of what country you are in and what your currency is producing those sort of revenue figures is outstanding and it will translate to you being in the top 2, 3, 4, 5% of hairstylists wherever you live. And so in podcast episode 291, I spoke about the characteristics.

[00:01:23] that set those high earners apart, meaning what is it that they do that makes them different to the people who don't achieve those sort of numbers? But here's what I didn't mention in that episode. Every single one of those successful stylists has something important in common, and that is that they're working for salon owners who are exceptional leaders.

[00:01:48] They're working in businesses with fantastic leadership that creates an amazing culture and sets people up to succeed. You could think of those salon owners as being the world's best coaches and leaders, and whether they set out to be that or not, that's certainly what they became. But today, I wanna flip the script and I wanna talk about the other side of the coin, which is why the majority of hairdressers.

[00:02:15] Aren't earning what they'd like to be earning and why. This is fundamentally a leadership problem, not the good kind of leadership that I just talked about, but in so many cases, the complete and total lack of leadership. So today's episode shifts the focus to the leadership crisis. It's keeping many

hairstylists from reaching their real earning potential, and I believe it's a self-perpetuating problem, meaning that because of the poor leadership, there is poor productivity. Because of the poor productivity, there is poor pay and because of the poor pay, many stylists think that they could do it better, so they go out and open yet another salon or become an independent business unit of one.

[00:03:01] And what do they lack? Leadership. And so it's this virtuous cycle that keeps on repeating itself. Either way, it's a self-perpetuating cycle that doesn't address the real problem, which is that people open businesses without understanding how to build a business or become a leader. And what's worse than that?

[00:03:22] They often make no effort to learn. So we end up with an industry where we are the cause of many of the problems that we experience. That's what I mean when I say there's a leadership crisis in our industry and it's keeping talented hairdressers from earning a better living, not because of their lack of ability, not because the clients don't want to pay, but because salon owners have either abdicated their role as leaders, or in most cases have no idea how to build a business that allows the business and their team to thrive.

[00:03:54] Now I spend a lot of time in and out of different industries, Facebook groups, and I constantly see the same complaints. Things like, I'm not paid enough. What's the going rate for a senior stylist? And I deserve to be paid more because of my experience, but here's what I never see. I never see questions like, I want to know how I can earn more or how can I become more productive?

[00:04:22] Or what's the secret to being a highly productive stylist? You see, there's a massive difference between wanting to be paid more and wanting to earn more. Let me say that again. There's a massive difference between wanting to get more to be paid more and wanting to earn more. One is passive. You are waiting for someone else to give you something.

[00:04:46] The other is active. You are taking responsibility for creating value so that you can be paid more, and that's the difference. In fact, it's a fundamental law of business and life itself. You get paid relative to the value that you create, and if you don't create more value, then you don't get paid more money.

[00:05:08] Now, let me be brutally honest about something that actually drives me absolutely nuts. I constantly hear hairstylists complaining about being underpaid relative to their experience. They say stuff like, I've been doing this

for 15 years, or I've done every cutting course that there is, so I should be paid more.

[00:05:31] Listen, I don't care if you're 150 years old and you've done every cutting and colour course in existence and have been in the industry since you were the age of 12. You don't get paid for experience. You don't get paid based on your age. You get paid for results and productivity.

[00:05:50] You get paid relative to how much you can produce. You might have a load of experience, but experience without results is just an expensive overhead for the business. What matters is what you generate behind the chair, week in and week out, and if you do have all this experience and you've been in the industry for 15 years or whatever it is, then you should be producing the result to show for it.

[00:06:18] And then at this point, this is what someone will typically say. Why does it always have to be about money? I came into this industry to be creative, not to be a salesperson. Well, if you go back to the beginning of the conversation, I think we all agree that most hairstylists don't earn enough money.

[00:06:34] So it is all about money, whether you like it or not, because I want hairstylists everywhere to be paid more, but you can only pay them relative to what they can produce.

[00:06:45] Here's the question I ask salon owners all the time. Is the tail wagging the dog, meaning are your staff running the place? I'll often see salon owners who are walking around like the proverbial deer caught in the headlights. In some cases, they're completely intimidated by their own team. In other cases, they simply had this worker's cooperative mentality whereby everybody is allowed to do their own thing, whether it's the days that they work or the length of their appointment times, or even the prices they charge and the products they use.

[00:07:17] and the result is that salon owner has lost control of their business, their culture, and their profitability, because they're afraid to be a leader. When a stylist comes to you demanding a pay rise, believe it or not, that's a great day. Seriously. It's a great day, but the response should be simple. It should be something like, fantastic.

[00:07:39] Now let me show you how to become more productive and you'll earn more as a result. But instead. Many salon owners just cave into the

pressure without any corresponding increase in productivity or results. Now, let me be clear here. I totally get it that in today's salon you need to have more flexibility around staff rosters and part-time work, and getting the team more involved and engaged in how the business works.

[00:08:06] I totally get that. But if you're still expecting a profitable business, then there's a balance to be found. Now, let me give you an analogy that might help make this sink in a little bit. Imagine if the owner of a busy restaurant decided that there was no money in building a brand, creating a culture or training their staff.

[00:08:29] So instead of running a restaurant, they decided to rent out kitchen stations to self-employed chefs. Each chef would service their own clients, source their own ingredients, handle their own marketing, and pay rent for their little corner of the kitchen.

[00:08:46] The owner would just collect the rent and provide the space. How long do you think that restaurant would last? How would customers ever know what to expect? What would the dining experience be like? It would be absolute chaos. Yeah, this is exactly what's happening in our industry with the chair rental model that so many salon owners default to when they can't figure out how to actually run a business.

[00:09:15] Now, just to be clear, I'm not saying that there isn't a place for chair rental because there definitely is, but not as a default setting because you think it's too hard to manage people and build a team. Because it is hard. I'm not gonna pretend it's not, but what's important here is that we don't throw out the baby with the bath water.

[00:09:38] Our industry has embraced different ways of working, and that's fantastic. Different pay structures, more flexible working hours, et cetera, and all of that is great. But when you look at other industries, whether it's restaurants or luxury fashion houses, or tech brands like Apple, regardless of what the business is

[00:09:59] There is still structure, there are still systems. There's a defined culture, and most importantly, there's strong visionary leadership. Now, that doesn't mean that you have to be a tyrant.

[00:10:12] It just means that you need to inspire people who want to follow you because you know what you are doing. You know how to build a business and you know how to lead a team. The real problem is that many of today's salon

owners have no idea of what it means to be a leader. They opened a salon thinking that they just needed to rent out chairs and collect fees, but that's not building a business, that's being a landlord.

[00:10:37] And the problem is that even then, in the majority of cases, they're generally collecting a totally inadequate amount of rent to make it worth their while. Another example of a race to the bottom. I think a lot of the time the problem is that salon owners are paralyzed by fear. Specifically the fear that if they invest in their team, train their team and help them become successful, that they'll leave.

[00:11:04] But what if you actually invest in people, create an amazing culture, provide ongoing education opportunities, define career paths and fair compensation based on their productivity?

[00:11:18] What if you became the kind of leader that people don't want to leave? But let's also balance that with being realistic because people will leave. Not everyone is going to stay. I didn't and you didn't. And neither should you want them to. Part of building a business and leading a team is understanding that, and if you're not prepared for that, then you shouldn't be in business.

[00:11:42] And the reality is that not everyone who opens a business is actually suited to be in business. That's not a new thing. That's always been the case, and it's not just our industry. Because not everyone who opens a business is prepared to learn what it takes to build a team, to educate that team, to train them continuously, and to create a culture where everyone can succeed. Not everyone who opens a business understands it is their job to be a leader, a teacher, and a coach.

[00:12:14] And that's what successful business owners do. They build brands, they develop systems, and they create environments where stylists can focus on what they do best, servicing clients and growing their skills while the business infrastructure supports their success. Real leadership in a salon means setting clear expectations for those on your team so that everyone knows what success looks like and what's expected of them.

[00:12:44] It means providing tools for success, whether that's ongoing education or proper systems. The leader's job is to give the team everything that they need to excel. It also means creating accountability. As the leader, it's your job to measure what matters and have regular conversations about performance and growth.

[00:13:08] It's the leader's job to build the culture that reflects the values of their brand. It's their job to create an environment where people want to come and work and can see a future for themselves. And part of that means it's the leader's job to coach the team on improving their productivity. Just like the world's best coach, you help people identify their real potential and achieve it. And finally, it's the leader's job to lead by example.

[00:13:39] It doesn't mean that you have to be a hands-on stylist behind the chair all the time, but it does mean that you demonstrate the standards and the behaviours that you expect from your team. When leadership is lacking, everyone loses. Stylists become frustrated and underperform as a result. The client service suffers the team morale, plummets.

[00:14:01] Staff turnover increases, profitability essentially disappears, and the business becomes just another struggling salon. But when you have strong leadership, that's when magic happens. Stylists become more productive, clients receive better service. The team becomes cohesive, and everyone, including the owner, makes more money. Every salon owner has a choice to make you either step up and become the leader your business needs, or you can continue to drift along, wondering why your business isn't profitable and why your team isn't performing.

[00:14:38] You opened a salon, which means that whether you thought about it or not, you signed up to be a leader. Now you need to lead, The good news is that leadership can be learned. The skills can be developed, the systems can be put in place, but it requires a commitment to growth, not just for your team, but commitment for yourself as a leader to grow. It means investing time and learning how to manage people, how to create a culture.

[00:15:06] Building systems and coaching performance. It means being willing to have difficult conversations and hold people accountable as unfashionable as that is. And most importantly, it means understanding that your success as a salon owner is directly tied to your ability to help your team succeed. So if you are a salon owner, why hesitate?

[00:15:30] Why do we get stuck or avoid even acknowledging that it's possible? I think the answer is simple. It's because leadership is hard. Learning is hard. It creates tension, it takes time. Most of all, it requires a commitment to becoming someone else. And guess what? It might still not turn out the way you hope.

[00:15:55] If you wanna learn. Learn because the price of success is paid for with the effort that you put in. so with that said, we need to start winding up this

episode, but remember, if you wanna learn how to become the kind of leader who can transform both your team's earning potential and your salons profitability, then visit [grow my salon business.com/course/super stylist](https://growmy salonbusiness.com/course/superstylist) and check out our online course that will help you to maximize your team's productivity.

[00:16:29] I'll make sure to put that link in the show notes of today's episode as well. So don't forget to share this podcast with other salon owners who need to hear this message, and don't hesitate to jump on into my Instagram or Facebook feed to join the conversation.

[00:16:43] Until next week, that's bye for now.