

Episode 328

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[00:00:05] Hey, it's Antony Whitaker here, and welcome to another episode of the Grow My Salon Business podcast. Before we get into today's episode, I just wanna start by saying a big thank you for being here. Whether you've been with me for years or perhaps this is your first episode, either way, I'm grateful for your attention and your trust and your willingness to keep listening and growing.

[00:00:26] Now, as we're about to start a new year, I always encourage you to take the time to reflect on the year that you've had and to look at what's worked and what didn't, and any lessons that you can take from it. And don't forget to thank the people who've supported you throughout the year, whether directly or indirectly for me, that person is my wife and business partner, Melinda, who, although she doesn't like the limelight, she's my hero in the background, and quite frankly, she's the glue that holds it all together.

[00:00:57] So whoever that person or those people are for you, take the time to let them know how much you appreciate them. Now. With that said, let's dive into today's solo episode. Not everyone wants to be self-employed. In fact, it's because not everyone wants to be self-employed. That now is a great time to recreate what an employee base business could or should be like, because most hairdressers actually want to be part of a team.

[00:01:31] Face it. If you could measure the desire for socialization on a scale of one to 10, hairdressers would definitely average a 12. They want to and need to have other people around them, but they also want security. They want benefits. They want training in education. They want growth and opportunity. They wanna be productive.

[00:01:52] They wanna be paid well for what they do. They wanna have fun at work. They wanna make a contribution to being part of something bigger than just themselves, and they wanna grow as people. They don't want to be dealing with tax or ordering product or paying bills and doing budgets and being responsible for marketing and everything else that being self-employed involves.

[00:02:16] But being self-employed is an option and it's a good option for some people, but it's certainly not for others. In fact, I'll go one step further and say that there are some people out there who definitely 100% should not be self-

employed, and that's for a whole range of reasons. One of which is that for many self-employed stylists, they make less money than they did when they were an employee.

[00:02:44] And as money is one of the reasons, if not the main reason, that drives some stylists down the self-employed route. They need to know that it doesn't always result in earning more so before they make that leap to go out on their own. At the very least, they should get their calculator out and work out the real cost of working by yourself and importantly what they give up or lose by being self-employed.

[00:03:13] The problem is that many stylists see the money that they generate for the salon. As an example, let's just say that a stylist generates two and a half thousand dollars in service sales for the week, and I think to themselves, if I work for myself, that's all mine, or at the very least they think I'll get to keep more of it.

[00:03:32] And so they open a salon suite or work in some other self-employed business model. And then they start to realize that now I've gotta pay the rent, now I've gotta pay the insurance, I've gotta pay for product. I've gotta pay for tech support, whether that's your phone or your online booking app, or your credit card processing and whatever other salon software you might be using.

[00:03:57] And they also have to pay for any training they attend. And for an accountant and the various salon supplies, whether that's gloves or foil, or laundry, or client refreshments. As well as any marketing that they're doing, like Google or meta ads and, and, and, and on it goes, oh, and I almost forgot there's this little thing called tax.

[00:04:19] And so when they pay all that, then in many cases a stylist ends up financially in about the same place that they were as an employee. And then of course, there's a time involved in being self-employed. When you are not generating money or being paid because you are working on your business and not working in the business, producing revenue, whether that's the time you have to commit to bookkeeping or product ordering or cleaning or following up with new client inquiries.

[00:04:52] And of course there's the social media marketing to ensure that you are getting some new client inquiries.

[00:04:59] And then another thing to factor in is that depending on the country and the salon that you worked in as an employee, when you go self-employed.

You lose annual holiday pay, sick pay, statutory, or national holiday pay pension funds, healthcare. Now, I know that in some countries you get none of those benefits as an employee, but in other countries as an employee, you are effectively being paid for six or eight weeks a year for when you're not even in the salon.

[00:05:28] But when you go self-employed, you walk away from all of that too.

[00:05:33] So yes, I get it. When you're self-employed, you have your freedom and your flexibility, and you can do what you want when you want. And there's a lot of great success stories on social media to illustrate it. But what you don't see on Instagram. Are the people who tried it and found out the hard way that it was the wrong move for them.

[00:05:53] And so they end up going back to an employed environment where all the time and expenses involved in running a business are looked after by someone else. For you and as an employee, the clients just magically seem to arrive in your chair and as an employee you get paid on time and you walk out the door at the end of the day and you don't have to think about the salon.

[00:06:18] But here's the thing, I'm not against self-employed for some people. Because some people will be financially better off than where they were working before as an employee, and they will also have that freedom and flexibility to go with it.

[00:06:34] And most importantly, they succeed because they have the business skills, the motivation and self-discipline to make it work. And for some of them being self-employed is a stepping stone before they start to think about opening a salon of their own and employing and training other staff. Over the last 25 years, there's been a huge advance in technology, whether that's the internet, the smartphone, online booking, online payments, and of course now AI and combined with the impact of the pandemic.

[00:07:08] As well as the never ending generational changes and attitudes about work. It's given rise to new business models and new ways of thinking about work. But in the hairdressing industry, there was something else that was driving that change too, because as much as all the things that I've just mentioned were pulling stylists towards change and independence.

[00:07:33] There was also something pushing them away from the existing employee employer structure. In other words, in many cases, the traditional salon business model just wasn't working. It hadn't changed with the times, and

salon owners couldn't or wouldn't, or didn't know how to create a more flexible and modern working environment.

[00:07:54] That was a win-win for everyone. In many cases, salon owners wouldn't entertain the idea of stylists working two, three or four days a week working the hours that they wanted, taking as much holiday as they wanted. So it sort of created a perfect storm, a new way of working, pulling you towards it, and an old way of working that was set in its ways and resistant to change.

[00:08:19] Now, obviously, there's lots of generalisations here because some salons have always been more flexible and have been able to factor in shifts around childcare and other lifestyle issues, but they were usually the exception, not the norm. Today, if you wanna succeed as a traditional employee employer based business model, you have to accommodate those changes or you simply won't survive.

[00:08:43] Because most salon owners have figured out that if you won't change with the times, you won't attract or keep good people on your team. But it's more than that too because if you wanna succeed in business today, you have to be a leader. You have to be honourable treat people with respect and create opportunities for them to grow and flourish.

[00:09:06] You have to see your team as your clients and you have to build a business that they don't want to leave. And to do that, you have to stop thinking that you own a hairdressing salon and start thinking that you own a business that happens to do hair. And the skills needed to grow and run a business that happens to do here are very different skills to doing the work that goes on within the business.

[00:09:33] And as the business owner, it's your duty. It's your responsibility to develop those skills. If I owned a salon today, I wouldn't be trying to hang on to the way we've always done things in the past. Instead, I'd be looking at how can we be different. Being part of a bigger business makes things possible that a self-employed stylist simply can't do.

[00:09:58] So as a salon owner. What can you do to make the traditional salon business model be the thing that is pulling people towards it as opposed to pushing them away as a salon owner? What does having a team make possible? What does having a part-time workforce and flexible hours make possible? What does today's technology make possible?

[00:10:22] What do the attitudes of today's workforce make possible? What does your size make possible? What does your bigger budgets make possible? Running a business today is both harder and easier than ever before. It's harder in that to succeed today.

[00:10:41] Just being good at here isn't even nearly enough. It is easier in that technology enables you to access education that simply wasn't available before. The reality is that the skills needed to create and run a thriving business are different skills to doing the work that goes on within the business. So just being good at doing here will only get you so far to succeed today, you need to develop the skills of the business owner, the skills of management and leadership and marketing, and good financial management.

[00:11:15] Now, that doesn't mean that you can't still be a hairdresser if that's what you want, but it does mean that you have to step up and recognize that what got you here won't get you there.

[00:11:28] 2026 is going to be another very interesting year. For some, it will be the year that they finally turn their business around, and that is what I want for you. And with that said, we need to start wrapping up this episode, but before we do, I want you to think about something. If nothing changed in your business, would 2026 look any different from 2025?

[00:11:53] If your answer is not really, then my business school program is exactly what you need. On Monday, the 12th of January, business school is open for enrolment. We kick off with a series of three webinars that are free to attend, designed to get you off to the best possible start, so that your 2026 is your best year ever and some.

[00:12:17] The free webinars are titled The Five Things Holding Your Salon Back From Growing and How to Fix It in 2026. To get on the wait list and to be notified of dates and times, go to growmysalonbusiness.com and on the homepage there's a link to register your interest and get priority notification.

[00:12:36] So thanks for listening to another episode of the Grow My Salon Business podcast. I'm Antony Whitaker and I will look forward to seeing you. Next week.