

Sink Handle Episode 51

Hello, everyone, and welcome to Episode 51. So if you're a service provider, and your business is going well, at one point or another, you're going to be tapped out on time, you're going to be overwhelmed, you're going to run out of hours, you can't do all the things, you're going to hustle harder and harder, you're going to feel overwhelmed. And you're going to stop seeing your family as much, you're not gonna be able to take a vacation, all the things right, it's a lot. You might ask for advice, especially in this online community. More often than not, that advice is going to be to build an agency. Now, to start, I love my agency. Everyone who has listened to this podcast before knows that my team is great. I frequently rave about them on here. Having an agency has allowed me to grow while gaining that flexibility, right? I mean, hello, bubble Friday. And being able to not have to be at my desk at 901 because somebody needs something somewhere. But does that mean it's right for you? Maybe not. I have heard over and over again, from other business owners that they once tried an agency and it became a disaster. And now they hate the whole idea of agency. I hear this a lot. There was actually a point where I was the only one I knew who even liked their agency, or was happy about having one. So today, I wanted to walk through some of the things I think are important, so that you can get a better picture of what this might look like. And if it works for you.

As the agency model coach and the DOO certification, the Director of Operations certification, I am getting known as like the agency go to coach, right, it was it's my thing. So I thought I would answer some of the questions that I get most in both the deal Oh, going through that whole 13 weeks of building up businesses under the agency model. And just like online, lots of people ask about this and Facebook groups, and I love to help them. But I wanted to give a better picture of kind of where you might want to start what it is, and if it's right for you. So first, what is an agency? In its basic form, it is that you have a team that is client facing. That means that my team talks to my clients directly, they work with them, Gwen is working on a project with the client, they are talking directly, I am not in the middle of being the bottleneck. If it's just you, and you have a team in the background, that's not an agency. That's just your team that helps you fulfill the project, the retainer, the whatever, this is a big deal. In getting more flexibility in time. If everything has to run through you, you are the bottleneck. And if you are already overwhelmed and tired, making sure that everybody has to come to you first, before anything gets done. I mean, you can imagine how that's not going to go very well. And it's not going to give you the flexibility that you're looking for or the time the biggest factor in making a great agency.

Well, there's two factors really, one, you need to have great systems in place. If you want this agency to run well, and not have everyone coming to you for questions every single minute. You need to have great systems in place. I feel like that's an entire another podcast like agency systems you need. But the basics are the biggest one is going to be communication. How do you communicate with your team? How do you know what's happening without having to ask them questions all day long. You want there to be much more efficiency you out of the middle of everything. So it's that great systems in place. And that second part is going to be learning to trust and let go. This is not a place for micromanaging. If you have to touch every single piece of things, then you need to stay just you if you want that person to have communication with your clients, without you in the main room or in the middle, you need to learn

to trust and let go and trust they can do the work. That is the freedom that is where it happens systems and letting go. So I think the biggest question I get is how do I get started? Right? Because if you if you seen other people make a disasterous mess of things. It's scary, right? All of us can be a little scary. So where do I start? Do I have to hire a big team do I have to have everything perfectly built out? Ready to go? No, you don't, I highly advise starting small, do not take on five more clients and hire a whole bunch of people and assume everything will run well. This is a place where testing systems is great. So you're going to want to start small, you're going to want to figure out what kind of help you need to start. When I bring someone on to my agency, I usually will start them on my own work, kind of test them out on stuff on my own, that gives me a chance to see what's going on, they get to like, check out our systems, right? Like where we keep everything, how we deal with task management, and teamwork, all that kind of stuff, it gives them a chance to see things without being client facing right away. What is the work I need? Just because most people hire an admin person first does not mean that that's what you need. Maybe you need a tech VA, because you're building out systems and you need that kind of help. So figuring out what you need, what you can afford, and then testing out those systems testing at your hiring process. If you throw out a hiring like job post in a Facebook group and say DM me, oh my god, you are going to be in for a world of hurt, because you have to go through all those DMS. And it's all crazy. And it's unorganized. And so figuring out the best way that you can to hire and then the figuring out those systems, those backend systems, how are you guys going to communicate? Where are the tasks going to be? How are you going to check in all that stuff, starting small, is the best way to go. And you test it. And then you kind of get like this is a mindset thing, right to give away the work you've been doing that only you can do is what you think in your head. But that's not true. We've talked about that a lot here. But that mindset shift of being able to give away something and trust someone is hard, especially in the beginning. So starting with smaller projects, figuring out your systems and getting more comfortable with those systems, and learning to trust and giveaway. And then you grow from there. You don't need everything built out. Because frankly, even if you build out every single thing you think you'll need, you don't know you're not psychic. So you're going to have to test and adjusted anyway. So building them out perfectly, isn't really very helpful here. Go slow. And that way, you're also not overwhelmed if it doesn't work out. And you really were terrible at hiring, my first hires were not the greatest. They were bad fits. So if I had brought on a whole bunch of people that were bad fit, and then brought on a whole bunch of clients, I would be massively overwhelmed. So start small, test it out, figure out how to go. And then you'll get more competent, biggest advice here?

So the next question, I think is, is this agency right for me is this is this thing, this model, right for me. So there are some things I want you to consider. Because it's not right for everybody. And I want you to build the business that makes you happy. Right? Like that's the whole point of not being a corporate anymore is that we can build the business that works for our lives, and makes us happy to do the things we want to do. So I don't want you to create an agency just because I made more money and I was happier. It doesn't mean you will. So let's let's look at the things to consider. Okay, first, do you want to grow? Do you want to be taking on more clients? Do you want to do those things some people don't. Some people just want one or two retainer clients, it brings in a stable, you know, cash flow. And that's it. That's what we want to be great, then don't do an agency. But if you want to be able to grow, I got to a point where I couldn't cover all the work anymore. And you know, still breathe or see my child. So I needed help to keep those clients and then to bring on more. So that's going to be a big deciding factor here. Do you need more flexibility to work around your schedule? Knowing that I had help to run reports

or answer questions or whatever that client needed, but I did not physically have to be at my desk freed me up so much. If there was a school play, or I don't know, at school plays in kindergarten, but whatever they have at school, it was in the middle of the day. Now I had someone who is here to answer questions in case someone needed something. So it gave me that flexibility to walk my kids to school back and forth, and be at any of the events I needed to be were, you know, go to the doctor in the middle of the day, like whatever those things are. It gave me flexibility. I didn't feel like I always had to be chained to my desk. But maybe you don't need that kind of flexibility. Maybe, maybe you don't want to be away you want that structure being at your desk for whatever nine to three and then that's it. So that's something to think about. Do you want to diversify the kind of work you do? A lot of us like last week, we talked about the evolution of frontals OBM. I came from a VA to an OBM and then built my agency and now I have one on one coaching offering and VIP intensives. Like there's a lot of different ways you can offer your services out there. So maybe you want to diversify the kind of work you're doing. Maybe you only want to do strategy work now. But your clients are still looking for implementation, doing the strategy yourself, and the like the plans and all that. And then having your team implement them can be a way to do the work you really want to do, while still serving what the client needs. Do you want to have a more stable income than once do clients can provide. retainers are usually a really stable income model? Right monthly retainers they pay every month.

The problem with having bigger ones, which seemed great is that now you have one to two clients, and all your eggs are in one basket. As I said, this was something that I was extremely averse to I still am even though I kind of slide back into it, because it's easier to have bigger clients. I was at Lehman Brothers till they literally changed the name of the building, watching someone who had taken their whole life and been in one place and lost everything. It gave me such an aversion to that kind of putting all the eggs in one basket. So having that diversification that you can have clients for retainer, your team can be to helping you take on more clients. So that way, if you let's say that business doesn't go so well, nothing that you did. But maybe their business is changing, they don't need you anymore. You have other clients around to take up that slack. And your income is not a huge hit. If you only have one big client and they don't need you anymore. That's it. That's all your income. So having that agency does give you that diversification. But if you don't want that diversification, you don't want to handle five clients and dealing with them. Or you don't want to offer four different offers, that maybe agency isn't for you. This one is a huge help to me. Is it lonely working by yourself online? This is a big one, right? Like we're lost our houses, especially this last year of the apocalypse in your house by yourself. Like I have a kid and a husband and that are in the house with me. So sometimes I would like some quiet. But that idea of having someone else to talk to you like I have my team we can, you know, water cooler talk like just telling us each other about our days, that kind of stuff. There's more of a social aspect to it, that I have other people that are working with me. It's not just me by myself in a room all day. And I love that I love like it was someone's birthday yesterday, everyone gets to say happy birthday and chitchat. I like that part. But if you don't if you're really introverted, you don't ever want to talk to anyone. Maybe agency is it for you. This is a big one. And I think it sounds scarier than it is. Do you want to manage people? And then my first thought was like, Oh, geez, no, in the beginning, when I was kind of exploring the whole idea of an agency, figuring out how to manage people seems so scary. I had never managed people before. I was part of a brokerage team with a lot of money under management, there were five or six of us depending on the time. And I was the operations person. But it didn't mean that I was managing anybody that kind of worked all together, I was very nervous to manage other people. And in

the beginning, I wasn't very good at it. But I also didn't have any kind of like mentor on this. There was no one else out there that I knew that was doing this well. In the beginning. I didn't know how to hire and I didn't know how to manage. And it can be scary to think, Oh God, I have to manage these people like what am I going to do? I don't know how to do that. But you can you can learn it. It's a very learnable skill. Most of the time, it is about really great communication. Assuming that I didn't explain it correctly the first time, which is a fair thing, especially when you're training someone if someone gets something wrong, I usually just assume that I didn't explain it well enough. Because if I explained it well enough, they probably have gotten it right. So those are the kind of things like it's simple mindset things to get to that place where you really feel comfortable managing people, respecting them, paying them well. And making sure that they know what's expected of them, and having really good training. And that could literally be just videos. A lot of times I'm training someone on a thing. It's just a video we talked about this. It's a loom video, I hand it to them and go, here's everything. Let me know if you have questions. It can be just that simple. But expectations, training respect, those are the main parts of managing. There are going to be a lot of people who come from corporate who are going to say a lot of really buzz wordy things about meetings and things from EOS or I 10s. Or all these different kinds of meetings you should be having. Here it's a lot easier to make it your own. I manage a team We never have weekly meetings, because we all work in different schedules. So try your best to not lock yourself into the corporate mentality of management, management being very strict. It's not it. management skills, there are a ton of different places you can learn how to do things.

This is always gonna be a learning experience, right? Online business is a learning experience. We always had to learn how to use everything all new software's and what to do and all that kind of stuff. So don't think that it's impossible, or that it's scary. You can learn things. Okay, next. So this one, this is a topic I hear a lot about. So do you want to ramp up marketing, and how much a lot of us love to be introverts and never market and some of our businesses are referral based, we have a website because we have a website. But we don't have a funnel, we don't have a list, we already have that stuff, right? We don't have a social media presence. Our whole business is based on what we're doing for clients. And like the internal systems and things like that. A lot of people especially when they have started their business don't have a huge marketing arm. And when the topic of agency comes up, a lot of times it is Oh, well, you're gonna have to become a professional marketer now. And I will go out on a limb here with the unpopular opinion that that is not necessary, you're going to need to figure out how much you need certain things, I have much more of a marketing arm now, because I'm offering VIP days and coaching, which are not as long term or don't necessarily aren't necessarily as long term as retainer clients that I've had forever, you're going to have to figure out how much marketing you need to have some kind of pipeline of people coming in, so that your team has work that you have work. Now, I have clients who I've had for five years, I didn't need a big huge pipeline coming in for retainers, you'll need more if you're going to be ramping up and doing other things. To be fair, that's true of any business model that is not long term retainer. If you build your whole business around VIP days, or a project work, like you just build websites, you hand the website over and then you go, you're going to need a pipeline, either way, that has nothing to do with agency, it has to do with the model. So if you need more clients in, and they are the kind of clients that come in and come out, you're going to need to have more marketing, if you are going to build a retainer agency, you don't need as much marketing. So finding that balance between what you need to do to keep your business up and running and to grow the amount you want. And that is going to be a feel, that's gonna be what you're gonna have to feel is

right. Okay. I always say anyone needs to know their numbers. With agency, it's, it's a little bit more complicated. And a little bit more important. When you bring money in, when it's just you, you get paid a retainer, you work the hours you do the whatever's That's it, right money in expenses, money, money, you get to keep basically, when you are working with an agency, you have overhead to pay those people to have these people and that overhead, you're gonna have to be able to price things. So that you still make money. You can fudge it a lot more, you can hustle and make the money when it's just you. But when you build a package of something, and you're paying someone else part of that money, and then you pay taxes, and then up your software, and then all of a sudden you have no money left. That is a thing that you have to be much more aware of here. That's a thing and all business, let's be honest, I mean, I preach about this all the time, about knowing what your profit is, instead of just your revenue. But here, you have to pay the other person. So you have to kind of make sure that that pricing is right, and that you're paying attention to what's going in and out. Otherwise, you're not going to be profitable. You need to know that stuff.

Anyway, here, there's a little extra element to it. No one wants to get hired by someone who doesn't pay, right? Like if I didn't pay my team consistently and on time, they wouldn't want to work with me. So having those numbers really wrapped up is important for you know, team happiness, frankly. And the last one, this ties back to I feel like my whole ethos lately. Are you actually interested in growing a team? Like, I'm going to rant about this. Signing up to build the business like someone else, doesn't mean it's gonna make you happy. And a lot of people say oh, well that they made money doing this. I should do that. Are you interested in this though, it gets a lot to build out and work on right business as hard as it is. So why are you going to pick something that you're really not interested in? Just because someone else said, this is the way to make more money. Because if this is a thing you want to do, I would love to help you do it, like I rave about it, right. But if you just want to make money, more money than you can now in a retainer model, or in whatever you're doing. Now, there's other ways to do that. One, charge more, because most of you are not charging anywhere near as much as you should be charging, to offer different higher ticket items. Maybe it's offering VIP days, or project based things that are a big punch of transformation. without all of the hours being put in, like you can get in, really help someone to a huge transformation, and then leave. And then you can do that more often. You can make more money that way. That doesn't require a team. It actually doesn't require a team at all, if you want it that way. So I want to leave you with this. I love my agency. There are lots of people out there that don't like agency at all. I want you to see if any of the things that I've just kind of gone over if they resonate with you. And if you are interested in this, if you're not interested in it, don't do it. If you don't want to grow in that way, if you don't want to manage people you don't want, all of those things. really sit with it. Think about it, replay this episode, go through those questions and think, do I really want this? Because if you do fantastic. If you don't, then don't do it. Don't listen to the so called gurus that tell you just to do something because it made them money. It may not make you money, it might not make you happy at all. If you've gone through all of this stuff and you still have questions, reach out, send me a DM, Facebook, Instagram, Reynolds will be mumbles and I would love to hear what you're thinking about all this. If it sounds scary, if it sounds awesome, if you just are overwhelmed and don't know where to start. It's a lot to get your head around.

So really sit with it and think about what's going to make you happy. And let me know if you have any questions. I'll see you guys next week.

Thanks for joining me this week on the Sink Handle podcast. I can't wait to do all of this again next week. Make sure to visit us at reynoldsobm.com for the show notes on anything we talked about today. If you love or you mostly like the show, please subscribe and rate us on iTunes so we can help more people avoid the Sink Handle.