

MANAGEMENT WORKSHOP

By Anna Loisel

Get in the Game

A winning management team is the key to a more productive and profitable spa.

HAVE YOU RUN THE GAMUT ON FINDING NEW WAYS to keep a handle on your spa business? Do you wear all of the hats and feel like you're going crazy? You're not alone. The demands on spa owners are more intricate than ever now, and it's often not feasible for one person to effectively handle every function required for a successful spa. If you're looking to increase profits and productivity and reduce some of the burden of running your spa, one solution is to establish a management team that shares your vision, goals and objectives, and works together to achieve organizational success.

A team approach can help your business overcome the common stumbling blocks of stagnant growth and profitability, misaligned goals, oversized egos and territorialism. "When we hit a peak and were stagnant for nearly five years we put together a management team of professionals who rallied around our vision, and in a matter of a few years we saw major growth," says TJ Weaver, a partner in Douglas J Salon in Okemos, Michigan (www.douglasj.com).

A team approach works because organizations are most effective when people with the right mix of skills work together to achieve common goals. A strong management team provides your spa with the developmental direction necessary to keep pace with a changing and competitive environment.

Running a successful company in a team structure has been an industry standard for decades in large corporations. Several years ago, after watching some of these successful companies, Mark Donovan, a 20-year consulting veteran, brought this view to the salon/spa industry. Now, many salons and spas across the nation have adopted this style of management and are enjoying its benefits.

Building Your Roster

What do you need to know to build a management team at your spa? The purpose of a management team is to facilitate the vision of the business owner, and a winning spa management team should address the five functions of a customer service business: marketing, finance, education, sales/customer service and human resources. Each team member should "play" a position—an area of responsibility assigned based on the individual's strengths and expertise.

Let's take a closer look at what each position should cover.

- **Marketing.** The marketing manager's responsibilities should include generating new clients and increasing client visit frequency through promotions, advertising and public relations. This person is in charge of creating and enhancing the business brand—the overall image of the spa.
- **Finance.** The finance manager should keep a watch over the business's financial resources. He or she must take a

Marketing

Finance

Human Resources

Sales



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budgetary approach to controlling financial resources to fund growth and ensure that expenses are covered, especially during slow periods.

- **Education.** Most spa owners agree that continuing education is a worthwhile investment. The education manager should oversee the spa’s technical skills and head

the technical education program.

- **Sales/customer service.** The responsibility of this manager is to increase the spa’s sales growth and represent customer needs. He or she is also responsible for employee scheduling.
- **Human resources.** This manager is responsible for helping everyone understand how their jobs complement each other and how, by working as a team, they can more effectively and efficiently achieve their own personal goals, as well as those of the business.

An individual is more likely to have an innate interest and be better equipped to get things done in one or two areas. With a team, one person isn’t required to have the know-how to carry out all functions. A management team addresses problems simultaneously through the five functions of your business.

Once you understand the required positions, the next step is to recruit your team. You may be asking yourself: How many people will I need? How will this structure miraculously make things easier? How can I afford this?

“Building a winning management team is all about developing a group of committed managers who are aligned with the goals of the company,” says Luis Jimenez, owner and education manager at Anna Luis Salon and Day Spa in Saginaw, Michigan (www.annaluis.com). “If you don’t do this, you’re likely to fail all of your people, and yourself,” he continues. “If I didn’t have people aligned with my values helping me run my business, I wouldn’t have the success I have today.”

Winning the Game

To build a winning management team that can stay ahead of your competition, you’ll need a game

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plan. The following is a 10-step process for developing a world-class management team:

1. Decide which position(s) (besides “captain”) you want, if any. Remember: You should only take on areas that you like and in which you can excel.

2. Develop job descriptions. Write a description for each position and look for talent that’s already present within your company. Remember: Depending on the size of your company, one person may fill two roles.

3. Decide on compensation. All of these positions (depending on the size of your company) will most likely be part-time, so consider paying hourly for time served in the position. In general, it’s customary to pay a few dollars more than what the potential candidate earns servicing clients or working the front desk—a 20% to 40% increase is suggested. The extra expense may seem like a lot, but you might be surprised; even with more people, business owners

often end up spending less for an effective team than they do with one single manager.

4. Hire people who are aligned with your company’s purpose and core values. All team members should have a passionate customer focus. Just because someone is a “star” esthetician or massage therapist doesn’t mean she’s automatically a candidate for your management team.

5. Clearly communicate your vision so your team knows where you want to go. When you begin the process of strategic planning, the first step is to cement your vision. When envisioning a change, ask yourself, “What’s the preferred future?”

6. Unleash the creative energy of the entire team by permitting their participation in decision-making. As the team captain, your most important responsibility is to find ways to encourage contribution. Your team needs to know that they won’t be discouraged or chastised for their input.

7. Establish measures and target goals for key

areas of the business. Goals might include increasing the number of clients per month, improving sales figures and staff retention.

8. Address problems simultaneously. Remember the five functions of a customer service business. Internal issues must be addressed and resolved if a team is to be successful in meeting its agreed-upon goals and objectives.

9. Make everyone accountable by insisting on high levels of participation. Self-accountability is important. Insist that team members are clear, accurate, transparent and truthful in reporting information and ideas.

10. Communicate. Hold regular management team meetings. Potential discussion topics could include: Does our consumer brand match up with our employer brand? Are employees realizing our expecta-

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tions as established through our marketing efforts? How are our staff's technical skills? How is our customer service? How can we improve in these areas?

Once you have a management team in place, it may take time for the system to gel, but with persistence you're

likely to see some marked improvements in your business. When everything clicks, your new team should be able to regularly accomplish things that seemed impossible in the past, and together you can move your company toward leadership in the marketplace. ●

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