

The Montana Project

Part 10: Do We Need To Hire Someone?

Editor's Note: The Montana Project, which began in the September 2002 issue of PFM, strives to see if business principles that work in a metropolitan market will work in a rural location. Derek and Christine Vandenberg, owners of Frame of Reference, in Bigfork, MT are working with Jay Goltz, owner of Artists' Frame Service in Chicago, IL, to apply tactics he's used in his business to their operation. In this, and following installments, we follow the progress. This month, Derek and Christine consider their options in hiring an employee and ponder if they're ready to increase their expenditures, as well as to delegate some of the store operations...

Jay Says: Help Wanted?

We've covered a lot of ground over the past nine months with The Montana Project. Business is up, even though we are in a tough economy. Derek and Christine's goal of doubling the size of their business is looking viable, and so we have to consider the next step. Knowing Derek and Christine, it's the most difficult step, the most unthinkable step, the most horrifying step—they have to start thinking about hiring their first employee. Whew! I got it out there. If their business continues to grow at the rate it has been, they need to start thinking about what this employee will do to free up their time so they can continue to provide good service, be available to take care of sales calls at customers' homes, and provide coverage in the store if they want to (or have to) take some time off.

We know two things: Derek is a control freak. Christine doesn't like cheese. This means we have to find someone who can accept criticism and doesn't like pizza. It could take a while. Especially in a sparse state like Montana. Maybe we should start now?

From Derek: Who, and What, Do We Want?

Jay is right. This is the most difficult, the most unthinkable, the most horrifying step. And he is also probably



Derek and Christine Vandenberg,
owners of Frame of Reference

right in suggesting that it's one that we need to take.

Thus far, The Montana Project has been a boon to our business. The hands-down winner in the success department is the Wizard computerized mat cutter.

After just over a year with this machine, I'm not certain how we survived for as long as we did without one. Perfect mats

are effortless, and our design repertoire has increased several times over; we often do a quick modification in CADD to a standard template, creating something unique that "wows" the customer to no end.

And yet, the original intent of acquiring the CMC was to preclude hiring an employee by increasing production efficiency. It's certainly done that, in a sense; we've been able to produce more work in less time, but as we head into the busy summer season, I'm realizing that the couple of hours each day that the Wizard saves are quickly gobbled up by other projects. And, unfortunately, there still aren't enough hours in the day for everything we want to accomplish. Still, I ask myself, do we really need another body here?

What would a new employee do for us? We could rapidly train someone, nearly anyone, to cut mats on the Wizard, but they'd soon be standing around looking for more to do. Christine and I often joke about hiring someone to dust the gallery, sort matboard remains, and

straighten out the moulding scraps. It would hardly be fair to hire someone just for that. In the summer, the bulk of our time is spent greeting and working with the 100-odd people that come in each day; it certainly seems that we could have someone in here to handle 80% of that, but that would fly in the face of our desire to have all customer contact be with the owners of the business. I could train someone to frame, but the control freak in me cringes at the thought. Are we being obstinate and throwing up roadblocks for the sake of personal comfort? Of course!

That last bit is the key; we need to decide what we want someone to do for us before we find the appropriate person to fill that role. Then, we need to learn how to advertise for applicants, and how to screen them so that we get the best match for our needs. The control freak thing? I can probably get over that if Christine handles employee management. I'm so used to not dealing with the finances after five years that I'm fairly certain I could live with an employee so long as I wasn't specifically in charge. As for the cheese thing, whomever we hire will just have to brown bag it like we do!

From Christine: What We Want

When we first started talking about the eventuality of hiring an employee, our biggest obstacle was deciding what we would train that employee to do. We've been talking/arguing about this for years. Our second biggest obstacle was deciding if that employee would replace one of us, allowing us to take turns having a day off, or if we needed a third body here everyday so two of us could concentrate fully on production during our busy season.

Running a frame shop and a gallery in the same location is like running two separate businesses. Right from the start, Derek wanted to hire someone to help with production work, and, right from the start, I wanted to hire someone to work in the gallery. Hiring would be an easier decision to make, probably a no-brainer, if we needed the help year-round. We've already talked about the difficulty of finding decent help here in the Flathead Valley, and although the unemployment rate has gone up a tad in the past several months, we are still only looking for help in the summer months. It just isn't feasible to hire and train someone to do production work for four months, and I think we both have finally agreed on that point. But it would be an immense help if we had someone doing the meet-and-greet routine in the gallery.

There is plenty to do out there—dusting, reorganizing and restocking photo frames, rehangng artwork, making price tags, dusting.

Just for the record, the desire to have all customer contact be with the owners of the business is Derek's fantasy, not mine. If we have an employee who is polite, confident, and has learned enough about the artists we carry to answer questions, I would be happy. I do, however, believe that every person interested in custom framing should talk to the owners. I do not want to train a gallery employee to design framing or to work with the POS software. I want to keep these two businesses separate. It's not that I'm selfish (well...), but remember that we are only looking for summer help.

Oh, and that part about Derek letting me manage employees—the only way that will work is if the employee works in the gallery, rather than doing production work—and if Derek and I both agree beforehand what we need an employee for. We're getting there, but what are the tricks to finding good people? Should we write up an application form? Should we put together an employee handbook? What if it doesn't work out? How do we fire? It's a small town—are we going to find ourselves in trouble if the bank president's daughter seemed like a good candidate but she just talks on the phone all day? How can we make the job glamorous and appealing? Wait, do we want to? Can we really afford to hire someone? Maybe we should forget the whole thing.



*Jay Goltz, owner of
Artists' Frame Service*

Jay Says:

As usual, Derek and Christine have both said some very interesting things. Derek said "...there still aren't enough hours in the day for everything we want to accomplish." And Christine, "...Can we really afford to hire someone?" This is like saying, "I'm really hungry. Should I eat?"

I wanted them to remember the original goal was to double the business, and told them to let me know they change their minds about this. Here's the plan. Put an ad in the paper and see what comes up. For all they know there is someone who would love the opportunity to work a few hours over the summer—a school teacher perhaps—who will fit right in. I told them not to hire the bank president's daughter. As a matter of fact, not knowing the person they hire would be their best bet. I

always say, if you can't fire them, don't hire them.

I also advised Derek and Christine to expect to talk to at least 10 people during the interview process. And to look for a pleasant, outgoing personality if this person will have to work with customers. Also, look for some kind of verifiable job history. I can think of numerous scenarios as to why someone would like to take

this job, either as a temporary or flexible basis. Some people would find it very enjoyable to work in an art-oriented environment. Those "things" that Derek and Christine have been meaning to do, but don't, are what's going to hold back their future growth. Growing their business and continually being out of their comfort zone go hand in hand. If they are in their comfort zone, it

means they're doing the same thing. And if they are doing the same thing, they will get the same results.

The first step is to pick up a job application at the office supply store. Don't promise anyone a job until they've talked to the applicant's references and have talked to enough applicants to know what's out there. Once again, they should strike the word "afford" from their business vocabulary. The question is, will it be cost-effective? To which the answer is "yes" if you could be doing something else that is more productive. If the employee does something to free them up to do more business, that employee will more than pay for themselves. If they free Derek and Christine up so that they can take some days off, it's going to solely be an expense, which may be a luxury they can't afford at this point.

The secret to growing yourself and your business is to continually raise yourself to a higher level of incompetence until you become competent.

From Derek:

We're strongly leaning toward advertising for a gallery person. As I see it, this person could fill in on the Wizard if production got very busy, but the thought of training someone to handle clients' artwork is a little too daunting. Assuming we found someone that was good enough, we would consider training for production at a later time. ■

Next Month:

Employee Management Issues