

Building Your Team

HIRE CHEAP OR PAY MARKET VALUE?

By John Stiernberg

As your mobile entertainment business grows, you will need to hire help. Some of the people may be independent contractors, others employees. In either case, making the right hiring decisions is a critical success factor. You want your team to 1) get the work done, 2) be affordable, and 3) reflect positively on your brand.

Too often mobile entertainers opt for cheap as opposed to good. While the temptation to save money is compelling, it may lead to unforeseen problems. How can you find a balance between hiring cheap and paying the price for professional work? Should you use interns and volunteers to bridge the gap? What are the preventable problems to avoid? This article addresses these issues and recommends three action tips for success.

THE VALUE OF A STRONG TEAM

In this series, we've discussed team building and the need for specialized expertise before. There is a point in the life of every mobile entertainment business when the owner/founder—usually a performing DJ—can't do all the work. The days and nights of "wearing many hats" become filled with frustration. The quality of the work and the quality of your life goes down, simply because there is too much to do. For example, most entertainers are not accountants (and vice versa).

This is one of those proverbial "high-class problems." You can't do all the work because you have lots of gigs and are in demand. Great! What you need at this point are reliable employees and outsourced service providers who get their part of the work done on time and on budget.

Think about it. The chain is only as strong as the weakest link. You might be a great performer, promoter, or booking agent, but

if you don't get accurate contract paperwork done on time, the computer crashes and you lose all your music, or the van runs off the road because it was not maintained, everyone suffers. I call it "driving business to your competitors."

COMMON PITFALLS

So what about hiring the right people? You may already have an excellent team, but people come and go. If you are in the early stages of building your team, you need to keep both professional expertise and affordability in mind. Here are some of the most common mistakes mobile entertainers make:

1. Hiring friends and relatives who work cheap or free. To be clear, I have nothing against family businesses. My concern is that you do not hire your cousin, boyfriend, mom, or neighbor just



because they say, "I'll help you out for a while." Why? Volunteers generally lack the time and expertise that you need. In addition, it's easy for "something to come up—hope you understand..." when things get hectic (like when business is good).

2. Relying too heavily on interns. While students and recent school graduates may be eager to learn the ropes of the mobile entertainment business, they seldom have the skill for much beyond pure clerical work. This is why music publishing companies, booking agencies, and entertainment media firms start them off running for coffee, filing paperwork, or responding to simple e-mails. (Note: Some states and municipalities require that interns receive at least minimum wage and any other relevant benefits, so "free" may not apply in your locality.)

3. Asking someone to perform beyond his or her skill and experience. I know I said this in previous articles, but it needs



*John Stiernberg is founder and principal consultant with Stiernberg Consulting (www.stiernberg.com). John has over 25 years experience in the music and entertainment technology field, and currently works with audio and music companies and others on strategic planning and market development. His book *Succeeding In Music: Business Chops for Performers and Songwriters* is published by Hal Leonard Books. Contact John via e-mail at john@stiernberg.com, or on LinkedIn and Facebook. Follow him at <http://twitter.com/JohnStiernberg>.*

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PAYING FAIR MARKET VALUE

There is a middle ground between under-paying and over-paying for the team talent that you need. "Fair market value" is the range of hourly and daily rates or project fees that are customary for each type of work. Here are three suggestions for helping assure quality results on time and on budget:

Action Tip 1. Anticipate...Do the planning before you get overwhelmed with lots of gigs. Look ahead to staffing needs by department including booking, promotion, bookkeeping, computer operations, and administration (like contract paperwork, travel arrangements, and keeping the office in order).

Action Tip 2: Evaluate...Identify the skill and experience gaps in your current organization. Start with evaluating the performance of each of your current staff and outsourced vendors. Are they doing the job? Are they happy working for you? Would you hire them again if the position were open today? This will open your eyes to both problems and opportunities.

Action Tip 3. Enumerate...Create a talent budget based on

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fair market value. Find out how much it costs to employ and contract with good people. Run the numbers to see how much your ideal organization will cost including payroll, benefits,

office space, computers, etc. You may learn that you are paying too much or too little now. Make adjustments to your pricing and other expenses accordingly.

HERE'S THE POINT...

Building your team and keeping it running smoothly are essential to the success of your mobile entertainment business. Relying on volunteers and paying on the cheap side is risky business. The good people deserve to be paid properly, and the bad people aren't worth risking your brand reputation on—at any price.

Be sure to implement the Action Tips in sequence: 1) ****anticipate**** your staffing needs in advance of when you need more people, 2) ****evaluate**** the skill and experience of your current team, and 3) ****enumerate**** how much each functional position costs and budget accordingly. You and your team will build better results, improved morale, and a firmer foundation for business growth.

Next time we'll talk about forecasting and budgeting for the coming year. In the meantime, best wishes for success in mobile entertainment in 2013! **MB**

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