

# **Small But Mighty Agency Podcast**

## **Episode 64: Success: How to get more time freedom in your service business and make money (even on vacation) with Justin Salters**

### **Speakers: Audrey Joy Kwan, Justin Salters**

#### **Audrey Joy Kwan**

Do you want more time to work on the business rather than in it? When Justin reached out to me for help, he was the bottleneck in his business. His service delivery processes lived in his head. So, he spent his day to day implementing services, managing clients and providing clients strategy. He was doing it all with little time to focus on real business growth. It wasn't sustainable and he didn't have the time and freedom he craved. We made changes that supported him to streamline his business, gain more freedom, and take time off without worrying things fall apart. Six months later, Justin shares what's happened since working together, and how he is now leading a scalable company that no longer rests only on his shoulders. He has a service business that can run without him and continues to make money even when he's on vacation. Justin's journey through entrepreneurship will inspire you no matter where you are in your business. And suppose you want to get service delivery, client management, and strategy off your plate. This episode just might give you the confidence to take the next step in that direction. Stay tuned.

#### **Audrey Joy Kwan**

Welcome to the Small But Mighty Agency Podcast. If you're a creative consultant, or agency owner, who wants to know what the roller coaster ride really looks like to grow your business from one to many, you're in the right place. My guest and I pulled out the curtains on the realities of growing and running agencies of different sizes, and what it takes to build a team. And if you're anything like me, you want more than the highlight reel. You want to learn from the mistakes of others so that you can stop short of making the same mistakes. I'm your host, Audrey Joy Kwan, I spend my days as a coach and consultant to multiple six and seven figure agency owners. For the last seven years. I've been behind the scenes, helping people grow, lead and operate small but mighty agencies. Here at the Small But Mighty Agency Podcast will uncover what works. And equally as important what didn't work to get these business owners to where they are today.

#### **Audrey Joy Kwan**

Hey, Justin, I'm really excited to have you here today on the podcast. We've worked together before and I have good insight about your business. But why don't we start by having you share with the listeners about who you are and what you do.

#### **Justin Salters**

Thanks, Audrey. I'm so excited when you sent me the invite. It was like yes, I'm finally going to be on the podcast. So, my name is Justin Salters. I am the founder and president of Hey Salty. We are a full-service marketing and public relations agency in Bakersfield, California. We work with a little bit of everybody from public agencies to nonprofits to businesses, and really focusing on true end to end communication solutions.

**Audrey Joy Kwan**

Awesome. Can you tell us what was the aha moment that led to the idea of starting Hey Salty. Can you share that story with us?

**Justin Salters**

Absolutely. So, my background is actually in corporate public relations and political campaigns. So, I spent the five years before I launched Hey Salty working for a consultancy that ran statewide ballot measures all across the Western US. And the aha moment for me kind of similar to yours, I have two young daughters and when your campaign consultant you spent a lot of time on the road. So, I knew that I wanted something that gave me more flexibility and control over my schedule. So, I had the idea, I'm gonna go and put my own shingle out, start my own agency. And it was really exciting. And I launched at the perfect time, March 2nd 2020.

**Audrey Joy Kwan**

Well, I was March 2nd, 2020, the perfect time, although I think we all know the answer. But...

**Justin Salters**

So, I say that kind of tongue in cheek looking in hindsight, it was absolutely perfect. But so, I started my agency on that first Monday of March, really excited gung ho working my network, I initially thought I was going to be doing more of the Public Affairs and Advocacy work, but serving my local community. And then two weeks later, yeah, we all know COVID happened, and the world shut down. And all of a sudden, the clients that I thought I was going to go be going after the value proposition that I thought I was going to offer no longer meant anything, the entire world became focused on surviving COVID. And so, I as a new business owner, with a family to take care of, my wife at that time was actually pregnant with our second she was born in August of 2020. We, I was like, Okay, we got to find a way to make this work. And so that actually led to a lot of pivoting a lot of self-discovery. And throughout of that is that's how Hey, Salty came to be, was this focus on how can I take my background, my skills, my passion for helping others and really use that and communications and marketing as a tool to help businesses and it's been it's been an adventure we're two and a half years in and things are going great.

**Audrey Joy Kwan**

Can we talk about the things going great a bit more. You've been in the business for two and a half years. And I know because we've worked together that things are going amazing. Would you just highlight how awesome things are right now for you?

**Justin Salters**

Yes, I. So, we started the business in March by myself, I hired my first full time employee a little more than a year later an account coordinator. And since then, the team has grown. So that it's actually me and I have five full time employees working outside of my door. And like from a revenue perspective, our first year, I was able to go ahead and break even I replaced my salary entirely, which is a huge win, going from the stability of a salary job, the second year in business 2021, we grew 400% of that. And then this year, we're on track to a little bit more than double what we did last year. So, we've got really aggressive growth. And I like to say we're just getting started like to date, it's been my network, and you're working things that way. But we're really at this pivotal time in our agency life and growth where we're starting to get strategic, and how do we really take the company take the agency to the next level.

### **Audrey Joy Kwan**

You mentioned that you are getting strategic? Let's dive into that. What are you getting strategic on in your business that you think is going to help you 10 times what you're doing right now?

### **Justin Salters**

Well, I think the first thing was we needed systems and processes. So when and that was when you and I first worked together, I realized at the end of 2021, when we were half the revenue, half the clients fee business of now that we were disorganized, and I needed to go ahead and get myself out of the day to day of the business and I had talented professionals, I hired great people, I'm super fortunate. But they would have to come to me with what needs to get done, there was no way for me to ensure that projects were being executed the way that I wanted them to be. So that was actually kind of the first thing that we did, which I know for a lot of business owners, processes are something that they actually do later on. And we made it our like that first priority, then how we're, where we're looking now from a strategy is how we acquire new customers. So, I'm spending a lot of my time and energy thinking about what's our unique purpose, what's our why, and developing that very clear value proposition. putting together our ideal customer profile, the buyer personas, so that we're going to have basically I'm taking my own medicine right now, the very same things I tell all my clients to do, I'm turning myself into, you know, client number one, if you will.

### **Audrey Joy Kwan**

I really loved working with you in figuring out your processes and your systems because you were so passionate about getting those pieces in your business. Can you tell me a bit more about what that did for you once you had those systems in play? Once you had the processes in play? What did it do for you in terms of how your team ran? And how you saw your business going forward?

### **Justin Salters**

Yeah, so I think the easiest way to describe it or that every agency owner will relate to is it's August, and when we're recording. And this year, so far, I've taken three and a half weeks of vacation that had been legitimate vacation.

### **Audrey Joy Kwan**

Yes! Let's just say that again, three weeks of vacation, legitimate vacation, which means no laptop, actually spending a family and not worrying that no money is coming through the door when you're away.

### **Justin Salters**

Exactly. So, I think that's the biggest thing. And it may seem kind of you know, tongue in cheek, but by implementing the processes now, when I'm away from the office, I know that my team is, that things are getting done. And I've hired good professionals who know how to do what needs to get done. And now I know they know how to do it the Hey Salty way. So that's been the biggest thing. But you know, another realization and outcome is that we were like feeling extremely highly utilized as a team in terms of the time and effort it took us to produce the deliverables for our clients. And what we've actually found by implementing processes and systems in the business is its created capacity. So, I have the ability to go ahead and service to grow our revenue, probably another 50% without needing additional team members, which is better for margins, better for the overall health of the business and our ability to grow with speed. And that's because of the processes and what they've really done.

### **Audrey Joy Kwan**

Thank you for pointing that out. I'm thrilled to have been part of your growth. You recognize early that process and team are not an expense, but an investment and we got to work putting the processes together for you. Now you have more capacity in your business. You're making money and focusing on exponential growth. Tell us more.

### **Justin Salters**

What having the processes has done is it really has made it so that I'm able to actually work on my business. I was, you know, I was talking to a mentor of mine who's has his hands in a bunch of different businesses. And I was sharing with him that I've discovered there's a difference between self-employment and entrepreneurship, building a business versus having a job. And there's nothing wrong with one or the other. But I think it's important as agency owners that you identify which one is it that you want to be? Do you want to be a marketing consultant, a PR consultant? Or do you want to be an agency owner and build the agency? So, what is fantastic is I really do feel like an owner right now. So it is, I'm able to actually spend time working on what is my pipeline. What's my sales funnel, the buyer's journey, beginning to think through, okay, what are my conversion rates? How am I using these tools to actually grow a business and get out of the delivery system, and more into the growth systems. So that's, you know, that's kind of it, figuring out our niche is, I think, really key, um, you can't market to everybody, I tell all my clients this all the time. And what I would say is that we have been the first two and a half years of the agency, a generalist local serving agency. So, any clients within, we're an hour and a half north of LA to give people an idea. So, kind of the Central California Valley region, we know what our capabilities are. So, let's go ahead and go out and bring on clients. And that's gotten us to where we are right now. But I can already tell, and I know, I can't, I'm not quite at a point where I can share what we're leaning to as terms of niching down. But when we see the growth, it's about finding clients outside of our region, by having a specialized service with a very specific target market. So that's a lot of it, and doing customer interviews or prospective customer interviews, I'll talk to people who would be great clients to not even sell them, but just to say, hey, I don't work with you right now, I just want to get your feedback on this idea. And what's great is sometimes those conversations and

with Oh, my gosh, I need that. When can we talk actually about a contract for us. So that's what I'm doing these days.

### **Audrey Joy Kwan**

You strategically stepped out of that self-employment role and set yourself up to be the CEO, our processes around service delivery, allows you to see the possibility of an autonomous team, many people get stuck trying to remove themselves from all the doing, and managing in order to work on their business instead of in the business. And when they get stuck, it's hard to see the forest from the trees. Now you've owned your business for two years. In our six months together, we got service delivery off your plate, and you have more freedom in your business. What are your thoughts on that?

### **Justin Salters**

So, I want to go back to one thing, just to talk about how, why I really think that I've been successful making the switch, because I know you have listeners, and there are other agency owners who are like, I spent all the time and energy on my processes, and I'm still in the business. And that's a people issue. I have, I've hired seven people now. And five of them still work for me. One wanted to relocate and took another job young, buried and super exciting for her. What I've really found is that your people make all the difference, because they are the ones who make the processes happen. And if I didn't have great people who were capable and dedicated and competent, then I would still be in the day to day. So, I do want to say that if you're struggling and you're an agency owner, think about your people and are they the right people in the right seat and find a way to fix it. If it's skilling and coaching, development, they need, work on that. But if they if it's an attitude, motivation, get rid of them, because you can't fix that and your team, your life will be better, less stressful when they're gone.

### **Audrey Joy Kwan**

Let's talk about the future and why you're getting hyper focused on a niche.

### **Justin Salters**

Serving as a generalist agency is I think, where we all kind of start because it's okay, I need to I need to get revenue in the door. You need Okay, I understand I know the service, I'll learn your business. I'll get it figured out. I'm a we did the Kolbe together. So, you know, I'm a quick start which means I you can throw me into any new industry filled client, give me two or three discovery meetings. And I'm like there, like you're gonna think I've been a lifer in the industry. That is not normal. So, what I what I really discovered is that when we have the generalist agency approach, and every client we bring on is so radically different it's difficult for my team for my people, and I care a lot about them. They are very much invested in the business. I'm invested in them. And so, for me niching down is not only about an easier way to market and find, you know, customers who resonate with the same exact problems, but it's also about making my team more powerful, making them more effective in their roles, and helping them be more successful. Because it's, it's all about success. It's all about the outcomes, I think you've probably picked up on that I love winning, not for myself, I really love winning for other people. And the best way I can be confident that we're going to do great work for my clients is to have my team know what they're getting into. And my team feel like they are competent and capable. And I see niching as a way to go ahead and do that.

**Audrey Joy Kwan**

Yeah, I'm so excited that you brought that up, the common knowledge is that niching makes it easier to market. But a team that can compound the learnings about a specific market over time, are going to be experts. And if you capture those learnings and focus on processes that pass that knowledge down, you've got compounding intellectual property that helps your people, your team and your clients succeed.

**Justin Salters**

I want to say one thing, though, about niching that people need to realize is that there are there are a lot of ways to get creative about niching. Like, it's not just Yeah, I think you could be creative in niching, but it's all about being focused. And I think so much of the time, we can get like huge eyes and too distracted by the idea of what the total addressable market, what's the TAM? Like, oh, my gosh, there's so much out there, versus deciding well, but what's the smallest viable market? Like you got to have a goal in mind, you have to know, what's the revenue I want to get to? What are my average account sales that that I produce? You know, what are my service offerings, you have to actually have the model in place to, and a goal in mind before you can go ahead and start niching down. Because yeah, I think it's like, for me, it started with having revenue, clear revenue goals, clear BD goals. And now I'm like, Okay, this is where I want to get. Now let me go ahead and reverse engineer what my path to there looks like. And niching is a big part of it.

**Audrey Joy Kwan**

Yeah, I love how you broke that down. There's a balance when figuring out a niche between understanding the total market demand, what you're passionate about, and your business development goals. We often hear people say, follow your passion, but you're making excellent point, passion is one factor. But it's not the only factor.

**Justin Salters**

Totally. And it's, you know, it's like that flywheel of marketing, sales and account services in our world. And I think too often going back to why you should hire Audrey first, before you focus on your marketing.

**Audrey Joy Kwan**

Thank you for the plug.

**Justin Salters**

I think for far too many agency owners, we focus on our marketing and sales to the detriment of our account services component. And what happens is when you do that you as the owner are never able to get out of delivery, out of account services. And then you've got no potential or opportunity to think about marketing and sales. So, I really do think in a lot of ways I approach agency growth backwards. But I knew I didn't have time for those other two, until I got account service delivery figured out. So yeah, I you know, it takes all three to be successful, they all feed on each other. But I think for most of us, the account services and delivery is where we hit the biggest hangups like, if you're good at doing what you do, you're going to be able to get more clients in the marketing and PR fields. So, like make

sure that you can scale what you do well, so you can retain clients, keep them happy, and continue to bring on new ones.

### **Audrey Joy Kwan**

I think we need a mic drop moment! The value of service delivery process is not lost on you. And you're speaking my language, you can do all the marketing and sales. But if your delivery processes are not tight, and your team can't deliver without you, you don't have a sustainable business. Justin, leaders are often asked to share the best advice they received. But I want to reverse that question for you. Do you have a piece of advice you received that you wish you never followed?

### **Justin Salters**

When I started out, I told my wife, I'm going to build a \$10 million agency. That was my goal from day one. So, I've always known it's not going to be something I could do myself because I don't know anybody who would pay those hourly rates. So, I went down a rabbit trail for about two and a half months of this idea of focusing on being a digital marketing in local services. And there is a path to financial success there, absolutely. But I wish I would have never spent my two and a half months trying that out because what I realized, you know, here's good advice to counteract that, you know, to thine own self be true, and I care a lot about customer intimacy, of the relationships that we have with our accounts. And I care a ton about producing highly valuable, customized services, customized products, our deliverables. So, what I realized is I knew I wanted to build the agency with the revenue goals. And I had somebody telling me, well, here's a way that you can quickly build a seven or eight figure agency. So, I started going down that route. What I didn't realize is know what I'm doing now, building more of the, you know, we still have a core service, but, and we've got our scopes of work, which you helped me understand Audrey, but really figuring out that, that is, that's what I need to go ahead and focus on and I can build my agency that way. And so that's my advice. I wish I would have, you know, ignored, but I learned it and now, like, I'll tell people, you know, other people interested in the business like, I'm like, Well, if you just want to make money, yeah, go, go do PPC and SEO, and you're going to outsource it all to and just get it done. And, but that's because you turn on the PPC, yes, start getting clicks for your clients, and they're happy. But if you actually want something where you've got to be a lot more thoughtful and creative about it, don't go that route. But let somebody else do that.

### **Audrey Joy Kwan**

Now that you've shared advice not to follow, what advice do you wish someone told you before you started your agency?

### **Justin Salters**

You have to figure out, you need to go ahead and map out and really understand what is your cash flow situation going to be and make sure when you're looking at margins important basically, don't do this work. And like you own a business to make a profit for the owner. And profit is not bad, like profit allows you to invest in your people, invest in growing, and it allows you to take yeah, three weeks of vacation. But when I say like the importance of managing your cash flow is, you've got to know okay, what is billing look like? Are we an ACH credit card, auto pay auto debits, when our clients, do we have larger institutional clients that take you know, are going to take you to 45 days, because of their processes and bureaucracy. And you've got to be able to understand that and build that into not just like your top

level, like P&L projections for the year. But really understand how do you have you like cover your operating needs for the business. And like, I'll be honest, you know, moment of transparency, I had like in Q2 of this year, a little bit of a rough time, because we brought on several new clients that were really great, awesome clients, we love working with them. But the time for us to go ahead and get established as vendors and go ahead and get set up, like I had to bring on staff, and I'm making payroll for you know, two and a half months, etc, before I first get you know, payments, and then it's like, it all comes in at once to get you caught up. But just understanding that and being able to predict, okay, what are my cash flow needs for the business, and making sure that I've got it or that I have, whether it's a line of credit, or, you know, the ability to put your own capital into it. I think that's just incredibly important. And, yeah, businesses have to make money, or they don't stay in business. I mean, nonprofits have to make money, or they don't stay around. That's just you got to pay the bills. So that's just incredibly important. And then building into it is, I really wish from day one, this is more of a like mistake I learned but along the way, but I really wish from day one, I would have been more diligent about time tracking and having my team track their time, so that we could really understand, okay, what are our accounts actually costing me and ensuring that our fee versus the commitments and promises we make that there's alignment there? So those are my, you know, two lessons tied to cash flow.

### **Audrey Joy Kwan**

I'm glad you brought that up. And thank you for your transparency. Yeah, when you start a business with a background as a creative consultant or marketer, there might be that learning curve on the finance side. Okay, let's learn a little more about you, give us three-character traits that have been instrumental to your success.

### **Justin Salters**

Curiosity, drive, and leadership.

### **Audrey Joy Kwan**

How have you use those traits to grow your business?

### **Justin Salters**

Well, I think drive is just, I'm a goal setter. And when I set a goal, like I said about I gave the example earlier in the interview, but I have a revenue target, okay, what's it going to take for me to go to get there? Let me reverse engineer, build it out. And okay, let me go get to work on it. So, I'm somebody who I like to set my goals. I like to accomplish them. I'm an Enneagram. Three, if any of your you know if you or any of your listeners are Enneagram people, I'm all about the achievement, but I'm healthy three these days. And then like on the on the Curiosity side. I think this kind of is part of how I've been able to navigate such a breadth of unique clients is I am legitimately curious to learn about people, learn about their businesses, learn about their services. And that like always seeking to learn more to ask those questions and figure it out is how you're able to go ahead and pivot or be very agile and the business, in the client service. And then the leadership component is I am very comfortable, very quickly speaking up and not just speaking up, but just beginning to direct to synthesize and direct teams. And so, what that means is, when I just thinking we had a client at our office for two days for a, you know, off site for them, planning meeting for 2023. And we ended up forget marketing, we ended up like truly talking about like the overall business. And we're talking like, organizational design issues,



and like, Okay, how is marketing? Marketing is an avenue to help solve some of those problems. But in that conversation, yeah, we're not talking about like, well, what campaigns do we need? And what should our tagline or what should the key message be, we're really just talking about how to lead their business, and how marketing and communications as a tool to move people where they need to be, so we can all get our outcome solved. So, I really think that like leadership component is something that allows me to go ahead and gain the rapport of executives and business owners, and to, you know, both with my own team, and with the client accounts that we are you have the privilege of working with, we're here to do it. And so those are three little things, I guess.

### **Audrey Joy Kwan**

Justin, what does the future look like for you?

### **Justin Salters**

Just like, with delivery and account Services, how I took the time to invest in the processes. Right now, I'm spending a lot of my time building out the playbook and the plan for the next three years. Because I think if I do that, by the end of Q4, beginning of next year, is when I'm going to be ready to just like launch the rocket, light the fires, let's you know, let's burn the bridge and go forward or you know, burn the ships, if you will, as the metaphor. So that's what the these next few months look like. And then yeah, our goal is to you know, I had the goal to build a \$10 million agency. Now I'm like, maybe that's not ambitious enough. But what I'll draw it too, is it's not just about, the reason why I get excited about growth is because of the people behind the store is I get excited, I love paying my people what they're worth, giving them good benefits, giving them a great place to come to work. I've got you know, people who have been at huge global agencies, global fortune five hundreds, and have been burnout and had terrible experiences. And so, I love being able to come here and provide a place where we get to live and work out our purposes and enjoy being here. So, when I see growth, it's not just about you know, a beach house, a ski house, though, I'd love to have both. But it's really about creating good jobs for people so they can go ahead and pursue their own, you know, American dream. I don't know if you guys have a Canadian dream analogue but pursuing that down here and being able to yeah, to support their families, to have their own goals and achieve them. So, I'm really excited about that.

### **Audrey Joy Kwan**

You've got heart for people, Justin. And I know that because I've seen it. One last question. To focus on growing the business from building team culture, you need space. And you wouldn't be able to do that if you were near burnout, or in overwhelm. What thoughts do you have other business owners about burnout?

### **Justin Salters**

It's set limits, like set boundaries, and really focus on the 20% that you need to do to go ahead and achieve the 80% I also am a big person for balance. So, you know, like I get up absurdly early, but I have my personal quiet time. So, you know, I'm a man of faith. So, I read the Bible every morning. I work out four times a week, I'm conscientious about what I eat and what I drink. So, I do all of these things. Which means saying no to, it means saying no to other things, because I know there's a bigger yes, that I want to go ahead and have. And so, then I'm just like planning the business. It's like you gotta be flexible and open. But how can I structure my day, structure my routines in a way that I am

able to go ahead and get recharged and I love in the full focus planner. I do the weekly preview every Sunday night or first thing Monday morning, and it has to go through these rhythms of like sleep, eating connection, relaxing, movement. And to think about that so like, every week I'm sitting down and I'm evaluating. Okay, what did I do in those areas? And what's on my calendar? Like, how am I making these a priority for the week ahead and doing that is I think, what is the best way to proactively manage burnout because you can't, if you're burnt out and you've got to take vacation, you're not going to have an enjoyable vacation. You're going to dread coming back because you didn't fix anything. So spend the time, hire Audrey Joy Kwan consulting to help you with your systems and processes. Get your full focus planner, I feel like I need all these referral codes right now.

**Audrey Joy Kwan**

If I had affiliate codes, I'd 100% share them with you. There are no affiliate codes. I'm thrilled that we work together. And thank you so much for coming on the show and sharing. Where can our listeners find you?

**Justin Salters**

Absolutely I am, Hey Salty, H E Y salty.com is our agency website. You can also find us on LinkedIn and I myself Justin Salters APR, I am on LinkedIn and we'd love to get a connection request I really truly do love connecting with others who are along the same journey because it's it can be really lonely being an agency owner, your staff connects with each other but you're the boss and even though you love, you got the camaraderie you're the boss and being the owner can be the loneliest job ever. So yeah, please send me a connection. And yeah, it's great to be part of this community.

**Audrey Joy Kwan**

Thank you, Justin.

**Audrey Joy Kwan**

Hey there. Thanks for hanging out with me at the Small But Mighty Agency Podcast. If you enjoyed this episode, it would mean the world to me if you hit the follow or subscribe button in your podcast app and share it with a friend. I'll see you in the next one.