

Small But Mighty Agency Podcast

Episode 47:

Speakers: Audrey Joy Kwan, Jenny Smith

Audrey Joy Kwan

What is the greatest asset for multiple seven figure agency? After 10 years as a CEO of her agency, and another 12 years before that working as a creative director, that's 22 years, Jenny Smith knows her team is the greatest asset. In this episode, Jenny shares how transparency of how her agency's profit and losses helped her team understand the financial basics and raise the level of trust, ultimately leading to committed and engaged team members. If you want to hear how transparency and being imperfect helped her have a multiple seven figure business, keep listening.

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 pull back 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, we'll uncover what works. And equally as important, what didn't work to get these business owners to where they are today.

Audrey Joy Kwan

Hello, Jenny, thank you for joining us to share your journey to growing a multiple seven figure agency. Let's go back to the beginning. How did this all begin for you?

Jenny Smith

All right, so Audrey. Yeah, it was kind of out of desperation really was back in 2013. And I had worked with an agency for 12 years. And that agency was really successful creatively and strategically. And we had a great team and the government here in Newfoundland and Labrador, they slashed budgets that year. And one of our well, the biggest clients that we had at the time, that budget got slashed by 40%. And so, we had to figure out, okay, who we're going to let go, what's going to happen to the agency? How do we downsize? And so we went through the that process, and, you know, as a manager, and a creative leader there, I had to let people go, and then I got like go. So, and that came as a massive surprise. And basically, it was, I basically completely freaked out. And it was really tough on all fronts, especially to my ego, to just everything, my whole life. And at the time too I had two small children and a husband, I still do. And we were like, okay, what do we do? Do we move away? Do we, you know, do I take another job somewhere else. And back then, in 2013, it wasn't like it is now you can't just work

remotely, you had to kind of get up and move and move your entire family. So, then I was like, you know, I looked around, I got some really great job offers from other places like in Vancouver, and Toronto and Montreal. But then I talked to everybody about it. And you know, my parents and my in-laws are like, don't you dare move. So, you know, I thought to myself, hey, why don't I just start my own agency? I, you know, and so that's basically what I did. Three months after I got canned, I started my own agency,

Audrey Joy Kwan

Working in an agency and starting one or two different things. Over the 10 years that you've been a business owner in hindsight, what do you wish someone had told you before you started your agency?

Audrey Joy Kwan

Oh, many things, many things. So, I don't have a business background, I come from the creative side of things. So, this agency is creatively led. And so, you know, I had to learn a lot fast. And I still have to learn about, you know, everything in terms of financial stuff, to HR to all that fun stuff. So, but I really think that one of the main things that I wish that, you know, someone told me was to be very open with staff about everything that you do, because I came from agency life where I worked at various agencies before I started my own and everything was sort of behind closed doors. Nothing was really, people weren't really in the know, you know, so we didn't know about, you know, budgets or we didn't know about like client relationships really like and how great they were or how bad they were and you know, I really feel as though being transparent with my team, it really helps them feel like they're, they're a part of something, you know.

Audrey Joy Kwan

I can see business owners resisting this idea of sharing numbers for fear that team members will misunderstand and want a bigger cut. What would you say to that?

Jenny Smith

So, every year, after our year end, I will let people know the numbers. Because I think they deserve to know, they're a part of the team, they work so hard, they, you know, they do things that I'd never be able to do. And they, they deserve that. And so, I let them in on how much revenue we got, and what profit looked like that year. And that informs a lot of things, it helps them understand just how, how much it costs to run an agency and run a business. It, you know, like that, and that's something that I never knew, you know, yeah, like, people have to get paid. But oh, yeah, we gotta pay everything, like, you know, insurance and rent and, and, you know, weird stuff, like, you know, water and water delivery, and, you know, plants and toilet paper and all that fun stuff, you know, so, so yeah, so what they, they see everything. And some people will say, oh, my God, I can't believe you do that, you know, why burden your team with something like that, but it is not a burden at all. In fact, it actually makes everybody's feel closer, it feels like they, it helps them feel like they're really a part of something. They're invested in it. And I feel as though there's just a more committed team.

Audrey Joy Kwan

You mentioned that you were part of an agency with transparency wasn't available to you. And now as an agency owner, you've integrated transparency into your business, comparing your experiences, how has transparency changed your culture?

Jenny Smith

Great question. So, I really feel as though it has helped people trust each other. So, trust is the number one thing at our agency. Trust with coworkers, with our suppliers, and especially our clients. And when you don't have trust, there's no real relationship. Right? So, and we're in the relationship business, we are in the relationship business, that is what we do. Relationships are key. So internal relationships, outside relationships, relationships with our clients. And if there's no trust there, or if there is very little trust, or if people sort of question, okay, you know, if people don't know the truth, and if you're not transparent with each other, then you know, it's hard to operate. And it's hard to maintain a healthy culture. And it's hard to really, you know, do work that's really effective and good, because when you don't trust each other, then there's not that basis, there's not that kind of solid base that you have in terms of a team.

Audrey Joy Kwan

Culture is impacted by leadership style, tell us about how you lead.

Jenny Smith

I'm a real like, no nonsense person, no beating around the bush, like, just let's address this issue and move on no wishy-washy stuff, like I can't stand it, I can't stand, you know, backroom kind of secrets. And that kind of kills culture, too. Right. So, I just feel as though I need to be extremely clear in my intent. Also, I feel as though listening to people is really, really important and listening is it's a really powerful tool, you know, and I think that it takes a lot of discipline and practice, and I'm still working on it. But you know, that's listening is a big thing, when it comes to my leadership style. Another thing that I really try to focus on is giving people recognition when they deserve it, you know, recognizing people, even when, even if it's just like, look, you did a great job on this design, or well done on this, you know, presentation or whatever. It's like saying, thank you really goes a long way. And another thing, and I mean, I, it's something that I've taught my kids ever since they were small, but it's just respect, like having respect, respect for people. You know, I don't think that a lot of leaders have a lot of respect for what their employees and their clients and their suppliers and partners actually do on a day-to-day basis. And I think that respect is a really, really important thing that needs to be remembered at all times. And I think that lastly, and I mean, you can ask any of any of my team members, but I like to have a lot of fun. I think that's fun. I think that we've lost a lot of that fun factor in advertising. Everything has become so serious, you know, sometimes you don't know if you can say certain things. But you know, and I know it's really cliché to say, but I actually love having a lot of fun. And having a sense of humor really takes you for and bringing levity to a situation, you know, it's important.

Audrey Joy Kwan

Jenny, thanks for highlighting what's been working for you. I know you're a team of 20 people, and I'd love to hear about your challenges and building this team and getting your business to where it is, is there one key thing or a breakthrough moment you think others can benefit from knowing?

Jenny Smith

Well, I guess it all depends on the situation, you know. So when I first started, I had many, many moments and challenges that are completely different, right, then what I go through now, you know, 10 years later after I started my business, but I think that a breakthrough moment for me, in terms of growing the business at the beginning was I just thought I could do everything myself, and you just can't do it all yourself, right. So, and I really did think that I could do so much on my own. But I, you know, after a while, you realize, oh, my god, like, I can't do it all, unless there's some sort of like Deluxe cloning machine or something. But yeah, there was nothing like that at the time. So, I just hire people. And I've hired people who are way smarter than I am, and who can do, you know, things that I could never ever possibly do. So that was a huge moment for me. And once I embrace that, our growth just took off. So, another breakthrough moment that I've had in terms of growth of the business is that I am very much an introvert, I do not like going into large crowds, I can't stand networking, and that's a part of my job, I have to do it. So, you know, networking, for me, just like even being in big crowds, like just thinking about it, and how it just makes me like, start sweating, you know, and small talk is really difficult for me. But I find that whenever I do it, and whenever I force myself to do it, it always leads to amazing things, you know, it always leads to more connections to you know, even some new business, or even like a new employee, or even a good, you know, just a good contact to have. So that in itself was is something that I really try to, to force myself to do on a regular basis. And I guess just from in terms of challenges, I mean, everyone has been through different challenges over the past couple of years, it's been an extraordinary time. And, you know, I don't want to talk about, you know, all the challenges that advertising agencies have gone through because some were every, we all know what those challenges are, you know, uncertainty about our clients, and what they're going to do, uncertainty about our employees, and what they're going to do, employees have a lot of power right now, they are in the driver's seat, they can demand many things. And sometimes agencies can deliver and sometimes they just, they just can't. So, I'm finding now that some of my biggest challenges are staffing and recruitment, very difficult. And you know, we live in a place that many people would never want to live. So, you know, St. John's is a tough place, sometimes, you know, it's a beautiful place, and I'm slightly biased and I think it's the best place in the world, but having people live here and move here is a completely different thing. So, we're extremely lucky when it comes to remote working, because that has helped us a lot. But at the same time, you know, like, it's, it's nice to have people in the same room. So, I think that the my biggest challenge now that I'm working through is just the shift in that nature of an employee, and what that means.

Audrey Joy Kwan

It's true, hiring and finding great people and retainment is on the top of mind for agency owners, what are you currently focusing on to encourage retainment?

Jenny Smith

So, we have all the normal things that you know, at other agencies have. So you know, it's no use really, for us to say like, we have a wicked cheese drawer where you can have all this delicious cheese, or we have a big fridge filled with beer and wine, you know, like, I mean, we have all that stuff, but everyone else does, you know, maybe not the nice, local beer that we have. But it comes down to trust again. So, you know, if someone wants to work from home, I don't care where they work, I just care that they actually take the time to do their work and you know, and that they're responsible. So, you know,

in terms of retention, I, I'm very flexible in terms of, you know, coming into the office part time or whenever you want to. So, it's really like flexible in terms of office versus home working, you know, and that obviously doesn't apply to remote employees. We have a wellness program, you know, we give money to our employees on a yearly basis and just towards something that has to do with wellness. We also just launched a wellness program in terms of an app that is a weekly, I guess it's a weekly kind of survey that takes 30 seconds to do. That is a confidential thing. It's really cool actually, it's called Hone H O N E, work and life. And it's for corporate culture, and it helps me identify areas in the agency with people where there may, they may need help. So, it's, it's working really well. And I find that people are, they're really happy that the leadership team and myself, we're actually invested in helping them with that work life balance. You know, we do a lot of socials, we have a lot of team building. But really, you know, when it comes down to, I think it comes down to the work to like when you were working at a place where you can actually create amazing work than that sometimes is, is so fulfilling. And, you know, I think that we give people those opportunities.

Audrey Joy Kwan

Having the opportunity to get in front of things that may be on your team's mind before it has a chance to grow legs and run wild and address it quickly, I appreciate you pinpointing how that action can lead to positive outcomes and grow a tight knit team. There have been many seasons in your business, by seasons, I mean, the journey, I want to know what is your highest flying season?

Jenny Smith

There have been lots of happy seasons, I think that one of the happiest was when I when I landed my first client, that was a really, really happy, happy moment. Because I've been just beating the streets for like a good month and a half. And I kept on having all these amazing meetings with people but no, there was no traction. And I don't blame people really, when I look back on it, because it was just me. They're like, well, where's your agency and like you're looking at it. So, it was kind of hard to convince people to actually take the leap. And mind you, when I say just me, I had lots of support just in terms of freelancers, and people I've worked with and you know, designers and art directors and account people and media people, but you know, when you are just staring at one person, then it's kind of hard to put your trust in that person and go for that. So that was a really happy moment. And believe it or not, right before COVID, we had had our best year ever in terms of revenue and profit. And we were just like, oh, like we're on this really great growth kind of path. And then that that all went to hell. So. So that wasn't very good. But you know, another really great moment, and I just, we just had it last week. So, we just finished our, so we just celebrated our ninth year in business. And so, we're in our 10th year now, but we've been through a really hard time. So COVID was not kind to this agency, we had a lot of panic, a lot of financial hardships, and a lot of movement of staff, so people in people out. And so really, it's kind of like a whole new agency minus a few key people, you know, leadership people and people I've worked with for a while. But we had a, you know, we call it Ray Day. So, we had a Ray Day last week just to celebrate the year and just to sort of get the team together and just be with each other. And I have to say that it's the most fun I've had in months and months. And it was so I just felt so inspired by everyone. I feel as though we have the smartest team right now. They're just so you know, motivated and dedicated. And it was just a really, it was a, it was a good, it was a good time. And it was yeah, it was really inspiring.

Audrey Joy Kwan

Did you know that I have a coaching program called the Mighty Pod Model? In the high touch program, we help our clients go from solopreneur to an agency owner, so they can gain more freedom by having a service business, but client work isn't dependent on them to scale. Maybe you started as a solopreneur with zero people in your business. Eventually you bring an assistant and contractors, but you continue to hold on to the strategy and direct communication with your clients. Before you know it you're at capacity. So, what happens if you want to grow bigger, meet the Mighty Pod Model. The Mighty Pod Model isn't just a business model. It's a high touch coaching program that helps you go from solopreneur to agency owner with a profitable streamlined and strategic roadmap. If you're feeling like the bottleneck in your business, download our free Mighty Pod Model cheat sheet, go to [Audrey Joy Kwan.com/free resources](http://AudreyJoyKwan.com/free-resources) that's [audreyjoykwan.com/free resources](http://audreyjoykwan.com/free-resources), or click the link in the show notes right there in your podcast app to get the free Mighty Pod Model cheat sheet. Back to the show.

Audrey Joy Kwan

Coming out of a time when get togethers weren't possible. It sounds like the first team get together back was encouraging for your agency. So, what happens in a Ray Day?

Jenny Smith

Yeah, so Ray Day looks different every year but usually it involves some sort of celebration and but usually some you know a presentation from me, I always present It's kind of like the year in review. If there's any kind of training thing, we always do a training thing. So this year we did Indigenous training because we have an Indigenous client now based out of Labrador, and we really wanted to learn more about the language we use, the things we say, the way that we, you know, just position the client, everything from you know, things that just silly things that we may not even think that we're doing wrong, but we are, you know, so we had that, which was fantastic. And then we always, we always love to eat. So, for lunch, we always bring in these big huge sandwiches from this place called Mana. And they're, I have to say they're most they are the most deluxe sandwiches I've ever seen in my life. They're like these breaded chicken delicious things that are on these pretzel buns anyway, delish. And this year, we ended up taking a bus ride, it was an hour bus ride to one of our clients places, and it's called the Newfoundland Distillery Company. So, they have a beautiful tasting room. And it's in this really small little place in Newfoundland called Clarks Beach. And it's right on the water right on the North Atlantic. And so, we all went in there and had many, many cocktails. And then we got on the bus again, the poor bus driver, oh my god. Anyway, we got ferried back home. And then we went downtown, in downtown St. John's, is there's a concentration of bars called on the street called George Street. And it's the most bars per capita in North America. So yeah, I won't get into the details, because they're all, they're not G rated. So, but anyway, we had a very good time. And it was really, it was a, it was a hilarious day. So, it was good. We you know, and the people who work remotely, they all flew in. So, it was really great just to be with everybody again. So, yeah, made me feel young.

Audrey Joy Kwan

It sounds like everyone had a blast, I really notice how important transparency and fun are to you. And how emphasizing both values in your business lights you up. And on that topic, what keeps you motivated and inspired?

Jenny Smith

Oh my God, that it's such a good question. And it's a hard question to because sometimes it changes on the daily, right? So, but what always keeps me inspired are, are my people. You know, like, they're so smart. Like, they come up with such great ideas. And I'm just like, God, I wish I thought of that, you know, or oh my god, I'm so jealous, this idea, like, thank God, you work on my team. And so, I think that just my people, like they actually really, really inspire me. And you know, in terms of motivation, what keeps me motivated, I've had a very tough time over the past year just to try to keep myself motivated and keep myself motivated for the team. And I know that leaders always go through these times, and they go through these ups and downs, but this year has been hard on many levels, just from a personal standpoint, and things going on, and my family, my husband's family, just to my kids. I mean, it's just been a hard time for everybody. But I think that what keeps me motivated is I try to exercise every day, I really do. Like I try to do that, I find that it really clears my head, it helps me focus. And it also helps me from one person in my, one of my team members, they were like, Yeah, Jenny hasn't had a workout today, you can tell because she feels like killing everybody. And like I just, you know, like, I really, I really need to do exercise, because I just felt it helps me calm down. So that keeps me motivated. You know, I think that having that balance. So, I come from a generation where, you know, all we did was work, I had to work so hard to prove myself as a female creative, to work my like, you know, just to prove myself in terms of working my way up into a creative department. And I worked nights, weekends, all the time. And that, obviously, is not sustainable. And it was that way of life then. But now it's completely changed, the way people work has changed. And, you know, I realized that now and to keep myself motivated. I really try to have that balance. So, you know, and I know that's cliché to say, but I really try to like, I try not to work every single night. I try not to work on the weekends. And it really helps. It helps keep me motivated. You know, it keeps the burnout away, so...

Audrey Joy Kwan

First, thank you for your transparency, about motivation and bringing that honesty to the podcast. And I feel you on the exercise. There's a switch that happens for me too, when the endorphins hit. I know you said that it's a cliché when we talk about balance and work in life as a business owner, but it's a real struggle, and there's no denying it. Jenny, where can people find you?

Jenny Smith

Well, they have to come to Newfoundland. No, I'm just joking. Well, no, you should come to Newfoundland because it's awesome here. So, but they can find me while I'm everywhere really so they can find me on LinkedIn they can find me via my email address. It's so easy Jenny@Rayagency.ca Give me a call they can actually I think my number is on the Ray website I think it's like the new business number to call so and I think that they changed it to my number so they can just give me a call and I'm on Instagram, Facebook, you know all that fun stuff. So easy to find me. Although my name is Jenny Smith, and there's probably around a million other Jenny Smith's but I'm Jenny from the rock J rock, so...

Audrey Joy Kwan

Jenny from the rock, thank you so much for being here.

Jenny Smith

Yeah. Thank you, Audrey. Awesome to talk to you.

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, I'll see you in the next one.