Jaime: Welcome to Eventual Millionaire, I am Jaime Masters, and today on the show, we have Nathan Hirsch. Now, Nathan runs a company called Freeeup.com with three E's. He also run an Amazon and ecommerce business for four years, more than that actually, and it's grossed over $7 million. Thanks so much for coming on the show today.

Nathan: Jaime, thanks for having me.

Jaime: We started talking about quite a bit. No. 1, you were smart to get on the Amazon bandwagon before all this crazy trend stuff. How did you even see that that was such a potent space way back when? Because you said seven years ago now.

Nathan: Yeah, seven years ago, and we've sold over $20 million of dollars. It's like $7.00 a year-ish. Yeah, I mean, I got into it totally by accident. I was a broke college student trying to make some extra beer money for the side, and I start buying people's books and reselling them.

From there, that naturally led me to Amazon because Amazon at the time was more of a bookstore. They didn't have lots of other products, so they were just getting into it, so I started experimenting, buying different products from deal sites, selling it on Amazon, and it really took off. Then, I dropped books, and focus the on that, and before I knew it, I was running a multi-million dollar Amazon store out of my college dorm room and it just kinda blew up from there.

Jaime: Everyone hates you right now. They're like, "Oh, so easy. Look at you." Okay, so what we're gonna dive into today because I know you're really good at this, and everybody asks me over and over about hiring in general. It sounds like you've hired a lot both over shore and contract work. Do you have employees too? Let's run the gamut of what you learned going through when you started as a broke college student to actually knowing what you know on that side.

Nathan: Yeah, so I have a combination of both. My Amazon store has employees, Freeeup is all contractors and freelancers. I mean, hiring is everything. I wouldn't be here without hiring the right people. I was fortunate. One of my first hires, his name's Connor Gillivan. He owns Connorgillivan.com. He's my business partner on both ventures. I still work with him seven years later, and that was one of my first hires. Without making that amazing decision to

hire him from a random message I got while I was in class on Facebook, that never would have happened.

Along the way, I've made some bad hires along the way like anyone else, but the level of value of your workers, or the people you hire, is really what accelerates your business or sets you back, so it's very, very important to focus on hiring the right people, especially when you start your company.

Jaime: Definitely. Okay, so how do we do that? Because that's the thing, people have either had mishires and now they're gun-shy, or they're newer to it and they don't totally know that to do, so give us all your wisdom on that.

Nathan: Definitely. Hiring when you've never hired before when you're starting a new company can be intimidating. I like to keep it simple, so I want people that are workaholics, people who really love to work. I don't want someone that's doing it as a side job, or because they might get into it, or to just pay a little extra money, or to add a little extra money when they're going to college or something like that. It want someone who's gonna go all in, ready to go, and loves to work every day that can wake up on a Saturday morning, get to work, and have a great time.

I'm looking for someone who cares about the company more than a paycheck. I want people that aren't if gonna try to be like, "Oh, I want $11.50 per hour instead of $11.00," and all that. I want people that see the long-term vision of the company, know that they'll be treated well, and want to be in it for the long hall, and see the company grow before them.

Then, on top of that, I look for people who can communicate on a high level. The basic version of that is they have to speak my language. If I'm hiring someone international, I don't wanna hire someone who can't communicate to me in English. At a higher level than that, I want someone who's gonna give me constant updates, who I don't have to chase down because that's a huge waste of my time, someone who's gonna be proactive and come to me rather than me going the other way.

That's why at Freeeup, we have 15 pages of communication guidelines that we make our workers memorize and get tested on before they get into our networks. I don't care how talented you are, I don't care what kinda network you have, we're never gonna work well together if you can't communicate with me, so that's I

value at a high level.

Jaime: That's amazing. Tell me more about this 15-page guide. Can people see it, or is that just internally for the people that you curate on that site?

Nathan: Yeah, that's the last round of our interview process, is the communication, so it is internal.

Jaime: You guys do all of that? Okay. Yeah, so –

Nathan: I'm happy to share some stuff from it.

Jaime: Well, tell everybody what Freeeup is because I didn't actually explain it at all either. Tell people what it is first.

Nathan: Yeah, so the idea of Freeeup is pretty simple. If you go right now to a lot of different websites, they're job boards. You post a job, you get lots of applicants, you interview them one by one, decide who you wanna hire, and not only does that process take time, put when you actually make the hire, you never really know what you're gonna get.

If you make a bad hire, it can waste your time or really hurt your company, and if you make a good hire and one day they decide to quit, you're right back where you started posting a job and filtering through applicants. At Freeeup, we do it differently.

We get hundreds of applicants every week, we have a great interview process that I created myself based on seven plus years of hiring, and then we have those communication guidelines that I mentioned.

All these workers in our network, we give out to our clients very fast paced whenever they need something. Our client's like, "Hey, I need a customer service person. I need a graphic designer, an Amazon expert," whatever it is, and we're focused around ecommerce, but we have lots of non-ecommerce clients, and we can have you a person ready to go within a few hours, sometimes faster.

The cool thing about us is not only do we save you all that time on the front end, but we're hands on to make sure you have a good experience with our workers, and we have an turnover guarantee. Our workers rarely quit, it's hard to get into our network, but if

they do, we cover all retraining costs, we get you a new worker right away, and we make sure you never take a step backwards. With us, you never pay for training twice.

Jaime: Everyone's like, "Oh, interesting, okay." That's the thing, I've tried overseas and contact workers. I did for a very long period of time of mishire – I'm like, "Okay, I'm not doing overseas anymore." Then, one of my friends was like, "Oh, by the way, I have two people overseas. I've been working with them for six years. We're shifting our focus. I don't need them anymore. Do you wanna hire them?"

I'm like, "Yes, I do." Six years of knowing this industry, and they're amazing, but so hard to find, typically. You tell me, when people are really going after the contractor side, besides using Freeeup because I know that's, "Let's just do that, it'll be way easier," what are some of the mistakes that people are making when hiring contractors in general?

Nathan: Laying out expectations up front. What I recommend doing for any hire, whether they're an employee, so walking into your office, or they live in the Philippines and you talk to them on Skype, create a document of who you are, who are the important pieces of the company, what are your goals and expectations, what are your pet peeves because if I hire someone and you hire someone, we're gonna care about way different things.

It's hard for a worker. Even the best worker who wants to make every client happy can't read your mind, so I like to lay out all about the company, about me, about what my expectations are, and the first thing I do when they walk in is I hand them a piece of paper, and I say, "Read this, ask me any questions you have. We're very transparent here.

That just sets the ground work for amazing communication going forward, and if people read that piece of paper and they have concerns, or you realize they can't do what's expected of you or things that you care about, they're probably not the right fit for your company, and you can save a lot of time by firing them right there rather than. Waiting three weeks and realizing it's a bad fit.

Jaime: Yeah, and sometimes we're a little slow to fire even though we know are not supposed to be. Let's start at the beginning, then. Tell me, employee or contractor? Because I get that question all the time. "Do I do employee, or do I do contractor?" How do you

determine it?

Nathan: Yeah, so, I mean, all things being even, you want the contractor because you save money or sales tax, I'm sorry, employee tax, along with avoiding stuff like overhead, unless they're remote employees, which gets even more complicated because then you have to pay taxes across state lines, or register your business in multiple states, so a contractor's usually simpler and easier.

With that said, and I'm not a lawyer, I get out contractors, so I've spent a lot of time talking to my lawyers about this, you have to make sure that with a contractor, they are really their own business that you're hiring. You can't control them as much as you would an employee, whereas an employee might work for you 9:00 to 5:00, and you can have all these company policies, and HR rules, or whatever it is.

With a contractor, you can have your guidelines and company practices that they have to follow, but they're very much independent from you, so that's really the difference.

Jaime: Okay, so if somebody wants to build a long-term business, though, too because that's the thing, we're looking for a long-term trajectory, and the hard thing about contractors is they can leave.

Nathan: Yeah, I mean, there are long-term contractors. Freeeup is very focused on having long-term contractors. I mean, if you think of a Amazon consultant that's on my team, they're not gonna just drop you after a while. They're wanna be your consultant long term, so it really depends on what you're looking at or what you're trying to accomplish.

I mean, contractors are definitely better for those short-term projects, but make sure you know what the contractor wants, what they're looking for. I mean, you kinda answered the question that you asked me, what do you like for when hiring. I'm looking for someone that's gonna be there long term. I wanna know that they're not just gonna add extra clients and knock me off.

If I have to get to an employee, that's great, but at the same time, hiring someone as an employee doesn't mean that they're gonna be there long term.

Jaime: Oh yeah, no kidding. They can leave **[inaudible] [00:13:26]**.

[Crosstalk]

Nathan: It's even worse. It's even worse if an employee quits because then you have to go through that whole HR nightmare again, and severance pay, or whatever it is that you have to do to keep them happy at the end. It almost becomes more of a mess.

Jaime: It is a main in the butt for sure to have employees, but when you look at the employee side, you also want somebody that's available and dedicates because at beginning I said, "Who do you hire," and you're like, "Somebody that's a workaholic that's gonna be in it for the long haul for me," and all this stuff. Usually, that stuff comes to me more with an employee than with a contractor. You tell me, what are your thoughts on that?

Nathan: Yeah, I mean, I guess I would disagree. I have lot of passionate contractors. I have a team of 250 contractors in my network that all affiliate my mold of what I'm looking for, and I agree. It's way harder to find a contractor that does fit that entire mold, but when you find them, they have a lot of value, and they bring a lot of value to the table.

For me, it's if you're going the contractor route, you definitely have to take it up a notch screening, you have to do your due diligence of what other clients they work for, when they can work for you, what their long term plans or, if you see on their resume that they're switching jobs every three months just like you would do with an employee, they're probably not the best fit. All things being even, I still strongly prefer the contractor route.

Jaime: Okay, and let's actually define contractor a little bit more because to me, the people that I have in the Philippines are almost like employees. I mean, they're not technically, so but they're dedicates to me and that sorta stuff. They don't have 1000 other clients. How do you determine what a contractor is versus in – and I know it starts to get in the law, so we can – contract your lawyer for that. For you, how are you defining it in your head?

Nathan: Yeah, so that's kinda why I use the term worker because it's just more generic. To me, the only way to define it is to go the legal route because legally, they're either an employee or a contractor.

To me personally, I don't care what you call them, as long as they're working for me and they do fit all my values. Whether they're an employee or a contractor, I call them workers. It's more

about making sure that you pay the taxes and handle it on the legal side.

I mean, to define it, the worker is anyone that's committed to you that's gonna be there long term that follows your company culture and your values, and I don't really hire anything else. Even someone for one-term projects, I am looking for the same thing because I don't know if I'm gonna have to use them again later in the future. I don't wanna have to chase them down if they coded something for me and I have to figure it out, so the same thing really applies no matter who you're hiring no matter what you wanna call them.

Jaime: Okay, so we're on the exact same page. We're gonna call them workers for now. Because this is the crux, right? How do we actually find those people? Because everybody's like, "Oh, hiring is so hard, finding the right people." It's tough, so can you walk me through what that hiring step-by-step process is to flush out all those other ones that we don't necessarily want?

Nathan: Yeah, and again, it's a tough question because I have a HR team that works ten hours a day recruiting people and going through hundreds of applicants. It is hard, and it's very overwhelming if you're a one-man show or a small team trying to do it, which is why we built Freeeup.

If you are going to go that route of finding it by yourself, you really need to figure out what talent pool are you picking from because if you're finding people that'll actually come to your office, that limits you right there. It's very hard to find someone in your talent for exactly what you're looking for, and there may only be a handful of people, and who knows whether they're free to even take on work?

Then, okay, if you go US, that's a bigger talent pool. If you go the world, that's a bigger talent pool. Them, you have to figure out what kinda process do you wanna go for. Do you want the Freeeup method, which is a little bit more hands on, or do you want those job sites like the Upwork and the Monster of the world where you are gonna get a lot of applicants, but your time is gonna be invested filtering through them?

There's no quick solution. I mean, the faster that you hire, the more risks that you take. It's one of those fire quickly, higher slowly mentalities, and yes, for us, it's a little bit easier because

we're doing it in a bulk scale, and it's a system that we've refined over the years. When you're doing it on that level, you really wanna take the time to set up your systems and processes up front, create the interview process. What questions are you asking? What answers are you looking for from those questions? Then, other things like the communication policies, that page that I mentioned, things that just make the process very streamlined so it's not like you sit down for an hour with every applicant and leave there being like, "Okay, I'm still not sure."

Jaime: Okay, so walk me through some tips on some of this stuff because you're right. They don't know what questions to ask, and especially if they're in the first – even if they've hired one, or two, or three people as they're growing, they're like, "I have no idea if I'm doing this right." You do this all the time; you've created a whole process out of this. We want the secret sauce. I don't know if you're willing to share the secret sauce, but I want the secret sauce of how we actually, as a business owner, can flesh this stuff out, not that we wanna take the time, so there Freeeup, all that fun stuff. If we were to do it ourselves, what would the process be, and what are the tips along the way?

Nathan: Yeah, so let's simplify it. I mentioned what I look for in a worker, and that might not be what you look for. First step, identify what you care about. Do you care about someone who is in that freestanding culture, or do you want that corporate mentality person?

Do you care about communication, or do you care about something else? Make a list of everything you care about, and then base questions off of that. If I'm looking for a workaholic, I'm gonna ask questions like, "What do you do on weekends," or questions that try to figure out whether they actually enjoy working, or if they just do it to pay for the stuff they really enjoy working on.

Step 1 is identifying what you care about and what you're looking for. Step 2 is creating the questions and answers for that, and then Step 3 is tricking people into answering honestly in ways that they're not taught to do in school.

When you interview someone, and I'm sure you went through this in college or whatever, they teach you how to interview. They teach you the correct things to say. If someone's like, "Are you a hard worker," you're gonna be like, "I'm a hard worker."

At the same time, you can kinda trick them and challenge them by asking them questions about their past job, asking them about situations, and that's why you hear all those crazy interview stories of, "Someone asked me how many marshmallows it takes to get from here to Wisconsin," because they don't really care how many marshmallows, they care about how you would problem solve.

If you come into the interview being like, "I'm an amazing problem solver," okay, here's a difficult question, how are you gonna handle it? Are you gonna break it down by steps and walk me through it, or are you just gonna be completely flustered and be like, "I have no idea?"

Really figuring out what trick questions that you can ask along the way to get out of the person who they really are and break that mold of the interview.

Jaime: Okay, that makes perfect sense because that's the other piece. We're like, "Oh, well, ask questions," and then you hear the, "Oh, great, now the say the same thing," and then we go on gut feel, "Oh, I liked them." Yeah, right? I feel like that's so hard, so how do you determine, especially that first interview? How do you determine whether it was a success or not?

Nathan: Yeah, so for me, it's all about value. I'm looking for people that are very high value, and one way that you can get people that are high value is by making the things in your company better for that person to work. By having a better company culture and not being down someone's throat all the time, you don't necessarily have to pay someone top dollar.

If you're gonna be that strict boss that's always yelling at people, that makes it a place where people don't wanna be, you're gonna have to pay top dollar to retain talent. Make sure that you focus on what you can actually afford and getting value from those people, and you're gonna wanna figure out dung the interview how much you have to pay these people. Based on the amount, and how the interview went, and the answers to your questions, that's when you really decide whether it's a good value or a bad value to hire.

I try to stay away from my potential preference of, "Do I like this person, or do I not like this person?" To me, when I'm done with an interview, "Is this person adding positive value to my team, or am I gonna find someone more valuable for the position?"

Value can be a lot of different ways. If I find someone that is $100000.00 a year, but they're ten times better than the next person, that could be high value. If I find someone that might be on the cheap side who's a little bit more desperate for work, and there may be their 70 percent of that 100 percent person, but they cost way less, that could be high value, or if they're better on the workaholic side, or things like that.

I look for more than just do I like the person or not, it has to make sense and be a good value deal in order for me to make that investment because that's really what an employee is or a worker is. They're an investment in your time, your money, and your energy.

Jaime: I really appreciate you putting it under value, though because a lot of people will be like, "Well, I don't have a lot of cash to be able to pay right now, so I wanna find a diamond in the rough," and it's like, "It's really hard to find a really good worker anyway, let alone a diamond in the rough that doesn't know what they're worth." The fact of paying them what the not only the position is, but what the value is that they're actually giving, I love that you put that into context because $100000.00 could be totally worth it value-wise if they're delivering a lot more than that.

Nathan: Yeah, and I'll put it on the level of Freeeup. I mean, we have Amazon consultants that cost $50.00 an hour. We have some that cost $25.00 an hour. If you can make the investment, why wouldn't you want the top-notch guy working on your account? If you're a startup and you're just doing it for the first time, maybe that doesn't make sense. You have to figure out where your business is to make that decision.

Jaime: Okay, so put it in terms of numbers, too, if you can. Let's say we're interviewing and we do ten of these first interview sides, and we ask the questions, and we feel like, "Okay, from the data, this is a high value person, and a workaholic, and they match so far." How many actually get through?

Nathan: Yeah, so I would back it up even a step further. I value my time at a very high level, so before I spend the time to walk into a room with someone and talk to them for an hour, which is a huge mistake I made when I first started hiring, "Oh, we got 50 applicants? Invite them all in," and that was just a nightmare. It takes up a lot of time.

Before I invite them into my office or do that one-hour interview, I'm gonna get them to answer some questions an email so I can try to eliminate them because that's really what it's about. You wanna look for any possible red flag and just take them off your plate so it doesn't waste your time.

I'll do that'll mail route with questions, I'll do a Skype quick talking back and forth, again, drilling them, trying to trick them, trying to get them to give me a red flag so I can move onto the next applicant.

Only then will I invite them in, and when I invite them in, I also have a plan of what I want them to be. Are they that expensive person? Are they that cheap person? What are my different options so that when I bring them in, I'm not bringing in three of the same person? I'm bringing in three people that could bring very different things to my company, and now I'm trying to drill down of which decision I'm actually gonna pick.

Jaime: Oh, that's interesting. Can you give me a list of red flags? Because the other thing is that you'll do stuff like a test task, or you make them do something like an email, and you ask questions, and you're like, "They had four spelling mistakes," but millionaires interview have spelling mistakes all the time, too. What are we –

Nathan: Yeah, I can't spell.

Jaime: Yeah, I can't either. Where do we draw that line on red flag versus not? Can you give me a list of potential flags that you're looking for?

Nathan: Yeah. I wanna know what other commitments they have. That's a big questions that I ask. If I talk to someone and they, I don't know, if they do piano every day at 5:00 p.m., and then every weekend, they're booked, and they're traveling, and all this, that's a red flag for me. I want someone who's willing to work and willing to be committed. I mean, ecommerce is 24/7. A lot of online businesses are, so I need someone that I'm their No. 1 priority.

If anything comes up where I'd feel like Freeeup or Portlight won't be that No. 1 priority, then that's a huge red flag right there. That might be the biggest one.

The next thing is communication. If I have someone who's

showing up for interviews late for who can't figure out what time zone matches mine. If I'm like, "Hey, be on at 10:00 Eastern time," and they ping me at 9:00 being like, "Hey, I'm ready to go," to me, that's a red flag.

Stuff, obviously, like grammar and spelling, although I can't spell very well and my grammar isn't great, I need people on my team that can complement me, that can do things that I can't to at a higher level, so to me, that does matter.

Yeah, those are probably the biggest two. I'm sure there are a lot when we'll dive down. Do you have any red flags that you've used in the past year?

Jaime: Oh, I have a lot, but you can't interview me, but we'll put a lot of them in the hiring guide, too, which is why I'm asking some of these questions because it can get really minute, and when people come to me, they're like, "Do I care about minute?" Is it like, "Oh, shoot, they messed up," or is this a trend which is hard to figure out?

As you're gonna through, let's say you bring somebody in. Tell us what that next step is and how we flush those pieces out because I wanna get to where you say, "Hell yes, we're all in," because it's hard to have that reaction, right?

Nathan: Sure. My next step is I tell them about my company, and my goals, and my aspirations. I'm a pretty passionate person. I care a lot about my company. I care a lot about the people in my company and treating them well, and I really try to make them understand that.

Your actions and the things that you do affect everyone around up, and I really look for passion in their eyes. If it's something where they're like, "Yeah, this is cool. I could see myself working here," or if they're like, "Wow, this is the best thing I've ever heard. I wanna be part of this for years to come," that's really what I'm looking for.

That's one of those things. It's almost like the red flags. It's tough to listen to them because I know them when I seem them, and I can quickly eliminate them, but same thing with passion. When I'm done telling them about everything, and I wanna hear what they have to say, you can tell right away whether they're there just because they're doing ten interviews that week or if they picked

you because they wanna work there.

That's really the next step. I try to get second opinions. That would be the step after that because although I trust myself at a high level, it's always good to get someone else's feedback, and I value my internal team at a very high level, too.

Jaime: What do you do for the second opinions, then?

Nathan: Yeah, so I either have someone in the room with me, or I'll send over their information to someone else, or as they're leaving or before they leave, I would leave the room or leave the Skype chat and let Connor, my business partner, or a different person in my internal team just chat with them real quick. I try to not have them repeat everything because that's not fair to the worker, but they usually have different questions or different things they're curious about, or if there's anything that maybe isn't a red flag, but it's an orange flag, they'll dive in a little bit deeper and see whether it is a red flag.

Jaime: Oh, a like the orange flag side of things, too. That's the thing that's tough, though. You said you've done this so many times, it's kind of innate when you go back and forth. That's what's so hard about training people how to hire when they haven't really gone down this path because it's practice, practice, practice, "Oh, look, that's there."

We're trying to flush those pieces out so that way, when we deliver it to somebody, they're like, "Oh, okay." It's never gonna be right there, but pulling that out as best we can because you've of so many years of hiring experience, no wonder why you're good at it. You know what I mean?

Nathan: Definitely.

Jaime: Okay, so second opinion. Then, what do they say? What are you looking for feedback from the person internally? Do you like them? Do you not like them? What do you think? Should I hire them, should I not? What do you ask them?

Nathan: The biggest thing I ask them is, "Do you see them as a good fit with the team? Will they get along with the team? Will they contribute positive value to the team? If my team is missing that one core skill set that we're hiring for, do they fill that, or are we gonna be in a picture where," oops, "where a few days later, we

realize they're not a fit and we're now missing a different skill set because they're not replacing or filling in what they should be?"

That's the biggest thing that we're looking for, is can they contribute positive to the team? Because as I'm hiring, I'm hiring different talents, I'm hiring people that are the opposite of me, I want to surround myself with every possible skill set, from graphic designers, to marketers, to writers.

I know what I'm good at. I'll good at sales, and customer service, and processes, so every other skill set that you could possibly have in a company needs to be surrounded by other people that can do it. That's really what I'm looking for.

Jaime: You've heard this before, right? You've supposed to hire for attitude and train for skill, but what you were just doing is, "I look for skill set big time." Tell me more about that.

Nathan: Yeah, I'm not a big fan of training for skill. I like to hire people that already have the skill and bring something to the table. I'll train them how I want stuff done, how my company runs, how our processes are, but I'm not looking to take someone and teach them Google PPC from the ground up. That's a huge investment, and even if I do it at a high level, they could just leave and take their talent somewhere else.

It's very hard to get a return on investment for training, unless it's just your company policies and processes. Even then, I like to break it down across employees and **[inaudible] [00:29:57]** workers. If I run a bakery, I don't wanna train someone to do any accounting, my baking, be my cashier.

I wanna have individual training for each one so that I'm protected. If someone leaves, it's very easy to replace. If I'm training everybody to do everything, it just doesn't make you diversified, and again, it's very hard to get a return on investment.

Jaime: Okay, I really appreciate you saying that because a lot of people are like, "Oh, we can just train them," and I'm like, "Do you know how much time that's gonna take?" I think that's the thing that people don't – they're like, "I love them, and they're amazing, and they're a workaholic, so they're great." Go.

Nathan: They're great, but they don't have any skills that are contributing positively to your company.

Jaime: Well because what ends up happening is somebody that, especially for your first few hires as an entrepreneur, you're like, "I want someone like me. I would love to clone me because I can do everything and I'm amazing," because that's what we think, right? The problem is, though, like you've said, is nobody is like you. Nobody is as good as you are at multiple things because you built this company. You know everything from the ground up as best you can.

Now, that's the point of hiring. We can't clone ourselves, and we don't have all the time in the world, so therefore, we have to pick subsets. How do you even figure out what that is? Now, I wanna get to the yes first, so I might follow that up a little bit later, but I feel like we missed this piece at the beginning of going, "Well, how do I know if I need a copywriter, or if I need a designer," and maybe not even on that level, but, "How do I know what this next employee is going to be? Is it a CEO, or am I not ready for that?" How do we decide who that next hire is?

Nathan: Yeah, off your point, I never wanna hire someone like me. I only want people that are the exact opposite of me. I'm very boom, boom, fast, fast. I want people that are more big picture, that make me go slower, that complement me.

From that, you should really do an honest assessment of your strengths and your weaknesses. If you can't do that, if you can't be brutally honest with yourself, "Hey, I am not good at talking to customers," or, "I am not good at Google PPC," or whatever it is, even if you're passionate about it and you like it, are there people that you can afford that are better than you at whatever it is?

If the answer it that question is yes, you should be hiring those people to do it at a higher level than you, and you should figure out what you specialize in and what you're good at, and you should focus on that.

If you're at the bakery and you're a better baker than anyone else, focus on the baking. Hire someone to do your books and vice versa if you're more of a business manager and you need to hire a chef.

Really figuring out where your weaknesses are and the things that you are really weak at, those are the things that you should be hiring first. I mean, Connor and I are the perfect example because I'm sales, I'm customer service, I'm processes. He's content. He

owns his own blog. He's website design. He built our WordPress site. I have no idea how to do that. He's much more into marketing and building those kinds of relationships, where I'm more on the client side, and he's a much better writer than me in every sense of the way.

That's really the ideal person that you work with, is that complete opposite, assuming that you guys can work together. It really leads for a positive experience and helps grow your business faster.

Jaime: I wanna highlight that times ten because one of things that I did, I did a speech last year that was all about how do you go from $1 million to $10 million, and when I started asking a bunch of the millionaires that I know, I was like, "Yeah, what's the one thing?" They were like, "Knowing your strengths and leveling up on that." I'm like, "We do not pay enough attention to that piece," and I really, really appreciate you saying that because knowing yourself first is the very, very first step to even knowing what comes after that.

Okay, so let's say, though, that you have you and you have somebody else, or maybe you have four people. Then, it's like, "Well, wait, now I'm trying to figure out where the little gaps are." How do you figure out where those gaps are?

Nathan: Yeah, so a lot of it comes down to communication. If you did a good job finding people that can communicate at a high level, people that are bringing skills to the table, and you've built that team, then you really have to do an honest assessment, and I've done this before with Connor and my other business partner at Portlight where we've sat in the room and been like, "Okay, you're good at this; you're bad at this. You're good at this; you're bad at this," and it can be awkward because you're pretty much telling someone that you work with what they're bad at.

Then, when you get at the end of the list, and you're like, "Okay, what do we need in the business? Do we need graphic designers? Do we need people to answer emails," and we're like, "Wait, none of us can do that. None of us can do this," and that's when you can really decide where you should be focusing on.

Prioritizing is everything in business, so hiring someone to answer your customer emails might be a higher priority than fixing your logo, but that's really how you figure out the list of what you need, and then you chip away at the list based on priority.

Jaime: I love this. Okay, so next, you have your internal team give you a yea or a nay, and then year narrowing it down as we go. Finish out that process. How do we actually go, "Yes, we want this person," and actually hire them.?

Nathan: Yeah, so from there, I mean, it's pretty much decision time. We'll meet as a group internally, raise any concerns, address them. If we do have nip concerns or any unanswered questions, we'll follow up with that person, but we're very much a fast hire group.

I move fast on everything, but there's a reason for that. I mean, if you have a good applicant, and you consider someone high value, and you wait a week, they might be gone. Never mind if you wait to or three weeks. I people aren't waiting around that long. I mean, there are times where we'll call people the next day or the next two days and get them going, and that's really it.

Again, fire quickly. I mean, when you hire someone, the test really begins. If you hire someone and in the first hour, all these red flags come up and they're not who they said they are, or they're not learning quick enough, or they're not as good past people you've hired, end it. I understand it might be tough to fire someone after you've just hired them, but it's gonna get so bad down the line if you just let it keep going, and going, and going, and then have to fire them later.

One of the hardest things I've had to do, and I take full responsibility for, we hired someone for sales, and we forgot to check his spelling and his grammar. Within the first three days or so, he fired off emails to some manufacturers of ours, and we had to terminate him right there.

That was in Year 3 of my entrepreneurial career back when I was a college kid and had no idea what I was doing, but it's a lesson that you take very seriously because walking someone into a room and firing them after you've just hired them, and I think he left a job to come work with us. That sucks, and no one wants to be in that.

It's not fair to the other people on the team, it's not fair to him, it's not fair to you to keep that process going. When you hire someone, that test really begins, and you should hold them to a very high standard. Just because they got in doesn't mean that now they can do whatever they want. They need to continue to prove themself at all times going forward.

Jaime: Okay, so how do we determine that? I'll do a 30, 60, or 90-day review process with my people so that way we can do a check in. "Hey, we're gonna do a check in. Let's see how things go." Sometimes, it should be sooner than that, right? "Okay, first week, how are they picking things up? How are they not?" Again, entrepreneurs, when they're first hiring, they're like, "Well, I'm gonna give them a chance because maybe it's me. Maybe I'm not good at training, or maybe my team isn't good at training them, so I wanna give them the benefit of the doubt," so where is that line between benefit of the doubt in and, "No, they kinda suck. We need to fire them now."

Nathan: I make sure that my team is good at training people. If my team train people, they shouldn't be on my team, and that's on me, but I agree with everything you said.

             Everyone learns differently, so there's a difference between someone who isn't getting it because you're not presenting them the information correctly and them not getting it because they're not a good fit. It's up for me to identify which one it is, and identify that quickly.

             I don't have those kinds of performance reviews. Maybe it's because I'm on Skype all day, and I talk to people all day, and I know how they're doing, and what's going on. I mean, Freeeup, I'm giving these workers to clients, so if I hire someone and I'm giving them a client, and I get a kick back right away with a complaint, to me, that's a huge red flag.

             There's a lot of different factors. Again, it's not like you're trying to trick them, but you should be constantly testing. I mean, if someone comes in and they're like, "Hey, I'm great at sales," and they can't do a phone call properly and give off a great impression, that's a huge red flag. To me, I'm constantly testing them.

             I'm making sure that my expectations are being met, that they're growing, and that I am gonna get a return on my investment at some point. Structuring out 30, 60, 90 days is good. For me, that process doesn't work because I have 300 plus people that I'm talking to, and if I have to do those kinds of performance meetings, I would just have in time.

             At the same time, we're constantly following up. I have an internal team who's always talking to workers, always talking to clients,

taking feedback very seriously. Although it's not structured with 30, 60, 90, we're very quick to make moves if something isn't working out.

Jaime: Yeah. Well, you always have the customer on one side being like, "I don't like this," and you can be like, "Oh, great, good to know." Do you have metrics, especially for things that aren't sales that aren't so metric driven? Do you have KPIs for copywriters, or for this, or for that? How to we measure whether or not they're doing a good job?

Nathan: Yeah, so for me, it's pretty simple. I don't use a lot of that stuff. I know Connor does on the blog, and he works with a lot of our marketing people that do analytics, and he knows how good of a job they're doing, which is why I love Connor. For me, I'm very much on the customer service side, so I have an HR team that hires all my people.

I'm not in interviews that much unless it's a top-level person because I like to meet those people before I give them to my bigger clients, but once that person get into our network, and I know our clients very well, I introduce them, or they hire a worker, that's when I really become involved. I mean, when we pass a worker off to a client, we have such instruct communication policies that if anything goes wrong, it's because the worker didn't follow one of our policies.

They didn't get approval for hours, or they didn't give the client their schedule up front, so the client's like, "Where are you right now," just lots of things that could be avoided.

Then, the other side of it is if they're in the as good at the skill that they said that they were good at. For me, it's very simple. If you get client complaints, you don't stay in our network. If our clients are happy, we give you – all of our people that have happy clients are booked solid with hours.

It's very tough to create a metric in my business. It's like, "You get two client complaints, you're out," or like, "Three strikes, you're out," or anything like that. It doesn't necessarily work, and if someone's new to our network and they make a small violation of our worker's guideline, we're not like, "You're terminated. That was a huge waste of time."

It's case by case, but, I mean, if you have someone that you just

did new hire orientation with and the next day, they forget everything, that's way different than if they just break one policy and they forgot to get approval one time. You make the client happy, you tell the worker, they make sure it doesn't happen again, and most of the time, it works out well.

Jaime: Yeah, and I want that communications thing up. That sounds really amazing because you're right, there's a lot of expectations within that that gets messed up on communication-wise that if you didn't tell them in advance, you can't really be mad at them, and a lot of entrepreneurs won't – mm-hmm?

Nathan: Exactly. I mean, I'll give you a good example of that. Worker got into a car accident on his way to work, was late for a meeting. He was like, "What was I supposed to do?" "Well, it's in our policies. You should have of my client's contact information on you. Okay, you didn't follow that, so it's your fault." It's very cut and dry. There's no gray area. Either you communicated at the highest possible level, or you didn't.

Jaime: Yeah, and normally as an entrepreneur, that's just logic, isn't it? That's what I would do, but of course, if you did not tell them in advance, then they might not be thinking the same thing because they can't read our minds, unfortunately. Darn it.

Nathan: Every client's different, and every client cares about different things and all that. I'm sorry, I'll let you continue.

Jaime: Oh, no. Okay, and we have to start wrapping up in a minute, but one of the really great questions that I have is that you took this, all this hiring process, everything that was in your head, and decided to create there company, Freeeup.com, and then you taught other people because you said you have an HR team.

I have a question about SOPs. I feel like this is the most unsexy part of business, but also, the systems and processes we use is kind of our secret sauce. I mean, this is what you're talking about. What do you use, and how do you create those so your HR team is actually doing every piece and not missing all of these pieces, and using them consistently?

Nathan: Jeez, phone – the volume is off on my phone and it's still coming in. That's weird. Yeah, so I actually, if you join my Facebook group, The Online Hiring Masterminds, I've been posting sneak peeks of my SOPs that are very well detailed because it's a huge

part of the doing business in general. I mean, making sure that everyone's on the same page. If I have she assistants answering live chat, my clients better not be able to tell the difference between who they're talking to and who knows more than the other person. It should be very symmetric at all times.

It's tough. It takes a lot of work. It mean, writing SOPs is one of those things. You never get it right the first try. Every year, the first three weeks of every year, I feel like I'm just rewriting everything from scratch because they get outdated incredibly quickly, especially in one, two, three, four year of your company.

Having supplementary things, like in our time clock software where people log in, we have a resource page that has our guidelines and everything like that, so they have easy access to it. In addition to that, having YouTube videos that walk them through, hearing from the top people in your company, not just you because, I mean, everyone can look at you as the boss.

If they hear from someone who's been at the company for two years, three years, four years telling you the same thing and being like, "Hey, this is the experience I've had because I listened to these things. We're not just creating rules just to make rules. We're not just creating processes just to make processes. If you follow them, you'll get more hours, you'll make more money, the company will do better, Nate will be happier." Everything really flows together in really having that sense of enforcement besides just a piece of payment that you're like, "Do this."

Jaime: Because that's where I feel like – especially because I came from corporate. I know you were a college student where it just went crazy for you, but coming from corporate where people would hand in these huge manuals and go, "Read this," you'd be like, "This is silly," like, "All of this, I'm not gonna remember everything. There's no way. Even if I tried to follow this every single time, it just is not efficient."

                 There's this line, especially for small business owners, to really go, "Okay, what is worth it? What is worth systemizing? What is worth the effort and time," like you said, "to put into the process?" How do you determine was has an SOP and what does not?

Nathan: Yeah, it's tough. For me, everything gets an SOP if it's anything that's talking to my workers or my clients because those are the two people that I'm giving impressions on, or that will get different

impressions of my company.

Off of that, anything that the process is close to finalized, or is in the process of being at the end of that because for accounting, for example, the first six months of the company, we're figuring everything out, so I'm not gonna waste my time writing SOPs for things that are gonna change next week. It's gotta be somewhere close to the end where I can just make tweaks and adjustments as we go or add to it, rather than just having to start over every single time.

Jaime: That makes 1000 times sense because this is the thing. Small business owners move so fast, like you were talking about. You move so fast that sometimes policies and everything just sort of the change, so being on the fly, you document it, and then three weeks later, it's changed.

That's not worth the documentation to begin with. You really have to finalize the process before you actually document it and go, "Here." Then, you can't be one of those crazy entrepreneurs, unless it's necessary, to actually change it because this is the thing. You train your whole team on this, you're like, "Okay, ready." Three week, later, "You know what? I found a better way. Let me retrain you."

Nathan: I mean, I make it the responsibility of my internal team to deep the documents up to date. If I go to a document at any time and it's three months out of date, someone, they're not getting fired, but they're getting a talk from me being like, "Hey, this is part of your job. If you're sick for a week, I need to be able to hand someone this process," and like you said, at some point, it just becomes too big that people aren't gonna read it.

They're not gonna learn it. It just doesn't sick in their head, so before I give an SOP out, I'm like, "Is this understandable? Is this readable? Are my people gonna actually be able to follow this?"

If not, then I need to break it down and make it easier in some way, whether it's a YouTube video, or something funny that people remember, kinda going the Michael Scott route where if you've ever watched The Office, he's a funny manager that seems like he has in idea what he's doing, but every once in a while, you see that there is a slight method to his madness. Handing someone a ten-page document and saying, "Read it," and memorizing it is just not that effective, usually.

You have to come up with more interesting ways, more persistent ways to get people to remember and follow the policies that you care about that you want them to follow. I'm fortunate enough that I have this in 300-person, 250-person team of people that are very passionate about the company, and nothing speaks to a newbie more than having 200 people that are all passionate about the company that all follow the policy being like, "Hey man, follow these policies," and, "Hey, I know you don't realize that this helps you, but this is why.

This is my experience. This is how I messed up when I started." Just having things like that rather than just a standard SOP is incredibly effective.

Jaime:
Is sounds like you're not the guy that's writing all the SOPs if writing isn't necessarily your sweet spot, but it sounds like you do videos. How do you determine what you're doing in that process?

Nathan:
I do write them, I just have someone rewrite them afterwards in words that people can actually understand. Yeah, I mean, I do videos, too. Videos for me, I try to actually have other people make videos just because they take up a good amount of my time, but it just depends on what the situation is. Again, if it's gonna get outdated quickly, I don't wanna post a video on my YouTube page that isn't gonna be relevant in a few weeks, so it depends.

Jaime:
Okay, I love all of this, and I know we have to start wrapping up, but I so appreciate this. We're trying to embody seven years of hiring and processes in a 45-minute interview, which makes things a little difficult. Moving their brain as far as the processes that you go through and what works and what doesn't work is hugely helpful for people. I'm gonna ask the last question. It's what's one action listeners can do this week to help move them forward towards their goal of $1 million?

Nathan:
Prioritize. Business is all about prioritizing. If you're working on this website that isn't gonna launch for a year, or if you have things that you can do to get it to launch faster, or get that minimum viable product up, or cold call customers, or whatever it is, create a list of every possible thing you could be doing for the company, and figure out the correct order to do it.

So many businesses fail because they just do things completely out of order. Sometimes, if you started multiple businesses before, or

you've been into it, it's very logical and it makes sense, but just writing it out, if you can figure out, "Hey, why am I work being on this when this needs to be done first?"

I mean, I work with clients all the time that run really good businesses, but they're so disorganized, and they need my help going in, and adding project managers, and freelancers, and all this. Before we even do that, we're like, "Okay, let's take a step back.

"What do you wanna get done, and what things are more important to you, and why are we focusing on these things when these things need to get done first? Let's spend the next week catching up, then do this, then do this." Really spending the time to do that will help you accelerate so much faster.

Jaime: I'm a business coach. People pay me a lot of money just for that exact thing, which is so funny because you sometimes need a second pair of eyes, but write it all down and have your friend look at it for you. It's really not that difficult, but it's hugely important, like you're saying, for everybody. I love that. You can tell me where can we find out more about you? Tell us about Freeeup, all that fun stuff, so that way they can engage.

Nathan: Yeah, so I'm very easy to contact. You can add me on Skype, Facebook, Twitter, Instagram. You can check out the Freeeup blog, Freeeup.com with three E's. It's free to sign up, there's no monthly fee. If we tell you a worker's $10.00 an hour, up pay $10.00 an hour.

We try to make it as simple as possible. Anyone that mentions this podcast gets $1.00 off their first worker forever, so you can mention that promotion, and you can book a phone call with me right in our website. I love talking to clients and figure thing out what their needs are and helping them, so we're in this. If we help you and your business grows, our workers are happy, you guys are happy, I'm happy. That's really how we work.

Jaime: See, I love that. I went to your website and I was like, "Oh, wait, you could just click here and book a call with him. Okay, that's crazy," because it's rare. It's extremely rare to have the person being like, "Oh, let me talk to you, please. Thank you very much," especially with not too much qualifications.

I was like, "15 minutes, 30 minutes. Hey, this is amazing." Thank

you so much for that. I really, really appreciate it because in the space that you're in, it is definitely needed. I've tried so many times to hire contractors, and it takes so much time, and I make them do a bunch of test tasks beforehand, and it sounds like that's what you guys are doing, so I really appreciate you putting that out there in I world and helping entrepreneurs because we need all the help we can get. Thanks so much for coming on the show today, Nathan. I really appreciate it.

Nathan: Thanks for having me.

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Duration: 49 minutes