

MI Dave Nevogt

Jaime: Welcome to Eventual Millionaire Builds. I'm Jaime Tardy and I'm excited to have Dave Nevogt back on the show. He owns HubStaff.com and is the guy that knows all about outsourcing and building great virtual teams and so that's why I have him on the show today. I have a whole bunch of questions for him. Thanks so much for coming back on, Dave.

Dave: Thank you.

Jaime: Awesome. So today we're going to talk about something that's near and dear to my heart because I need more information on it too - contractor accountability, so making sure that people across the world, and I have people all over the world, I'm in the middle of nowhere in Maine so I pretty much have to go outside to find people, so doing that but also making sure that I get what I pay for out of it, making sure that people are keeping up and staying accountable, so I would love to hear your thoughts on how to do that.

Dave: Accountability, at its core, I think is having someone, a contractor let's say, actually do what they agreed to do and caring about their job, caring that this thing gets fulfilled in the right manner. So that's the way I view it, at least, and I think that that's one of the most important things that you're ever going to do when you build a company, that you find people that are accountable for what they say, and the way to make all of this go down is to get what I call upfront contracts done so that, as long as you spec the project out and you get their buy-in into the date, 'Is this something that you agree with? Should we be doing this? Should we be going in that direction? Do you have ideas on how we can improve this?' Get all of that done upfront and then we say 'Does the due date seem reasonable? Yes or no? Do you see anything at all, right now, upfront, that would prohibit us from doing this? Yes or no?' If it's yes, then 'Okay, let's figure that out. How do we solve that?' If it's no, then 'Okay, let's set the date and move forward.' That's the flowchart, that's the process on how it goes down. So now it's just a matter of implementing that stuff.

Jaime: Awesome. This happens a lot - we say 'Yes, we can do it by this date,' and we're all excited and it sounds like everyone knows and we're all on the same page and then all hell breaks loose as soon as they start working or the date starts coming closer and you hear excuse after excuse after excuse. Does that mean we have a bad contractor or employee?

Dave: A lot of times that's management. How many times also have we said 'Let's do this project,' and we get fired up about it and then two days later we give them something else that's totally unrelated to it and we say 'Now this takes precedence over the old project.' So now we have to take that into account. As managers, we need to either a) stop doing that or b) build that time, just realize that that comes on the back.

Jaime: And they have to go back through.

Dave: I don't know if that's something you do. I do it all the time and it's just something that, unless you have a huge team that can be totally dedicated to these projects, is going to happen in small business.

Jaime: What's so hard, though, is bumping back. I totally understand to make sure that they have enough time, to make sure that I have enough time, but then as you see the bumping back of the date you don't feel like you're getting anything done because you're doing so many things at once - a common problem from my clients and many other small business owners. How do we prevent that?

Dave: You build the projects that are being done on the goals for your company - so you have, let's say, a 90 day window which then leads to a 180 day window which then leads to a year window. So build backwards a year - 'Where do I want to be 365 days from now?' That leads into the 180 day goal then you have 'What needs to happen within 90 days to accomplish this 180 day goal?' Lots of times we find that all of these little fires that are being worked on, that we think are important on the day of, are just not that important lots of times - not all the time, but lots of times - they seem important but they're not important in the great scope of your business and where you want your business to go. The other thing that you can do is, you know, I've done lots of things like having one team just dedicated and you can bring in another outsourced team. It is more money but you are also getting more work done so it's a matter of how much your business is making, can you afford it and whether you want to invest that money. I don't think there is any simple way to get it all done in a shorter amount of time. Time is all we have, right? So there's not a good answer to that.

Jaime: There are only so many ways you can move the puzzle. Tell me a little bit about consequences - when you have a virtual employee what do you give them for consequences? Let's say they didn't hit the goal that you wanted them to hit, do you say 'Okay, you're written up,' do you give them three strikes? What sort of consequences do you have?

Dave: I reverse it and I give rewards. The consequence is just that I am not going to work with them anymore. That's the consequence. I just don't have the time for it and I don't think a lot of people do.

Jaime: Well, actually, before you go into the rewards, with regards to that, how do we know when to fire somebody?

Dave: There's not a hard set rule, it's all based on feel and your management style. But I would have no problem writing up this expectations list and saying 'This is the deal. Here's what's expected and this is what's going to happen. If it doesn't happen then I'm going to find somebody else,' and that's part of my theory, to have that second person waiting and always have that second person trained up and waiting and I think that pitting the people against each other is good; it's good for the team. For example, I don't have only one person that knows how to do this one task - there's always two or three that know how to do every task in the business because otherwise you're really beholden to that one person. Pitting them against each other, knowing that the work is interchangeable, that it can be done by most people in your company and then rewarding the ones that are getting things done. In the end, if somebody doesn't work for that reward, that's fine, but we have to make sure that you're not working with a team member that's just continually missing the deadline because that just throws the business off.

Jaime: One of the things that I find a lot is that with the C level players, you have to deal with the consequences, whereas the A level players like rewards so they don't usually have those issues. So you know, if you have to come up with a thousand different consequences for your people, that they're not an A player.

Dave: That's totally true.

Jaime: Which is hard, because we want to find those A players for our team and people who are brand new to hiring just want someone to help but they don't want to pay a lot - but paying those people makes a huge difference because then we don't have to deal with all of these accountability issues.

Dave: I want to be careful here, though - it's very important to know that the right person does exist, regardless of the amount that we're paying them. It's just a matter of testing - I don't care if you've got to test 10, 12, 15 people to get the one right person; once you find that one right person it will be so worth it to spend the extra 30 days of part time work on your end to find that person. Once you test and try those people out, you've got 2, 3, 4, 5, 6, 10 years with that person.

Jaime: That's a very valid point - they say 'slow to hire, quick to fire'. That's great, except when you don't have a lot of time to hire someone good. That's why, like you said, having someone on deck so that if someone does leave they can take the position, but hiring takes a lot of work - it's not that easy. You can't just go 'They're great, let's hire them,' and then have it work out really well. So testing is really important but also building that into your timeline so that you're not like 'This project has to happen next week, I should hire someone right now.' That would be hellish.

Dave: The other thing I'll say is, going back to the accountability thing, what I do is I basically outline the expectations and say 'Not only does this thing have to be done, but it's got to be done right because I don't have the time to sit there and test so I expect it to not only be done, but done right, and here's a flowchart you can look at, as the employee - 'Did you test this?' Yes, 'Is it working?' Yes, then you can send it off.'

Jaime: It's so funny how simple that is and how that doesn't work very well. 'Did you test it? Oh, good, thanks.' That needs to be in there, and I'm at fault with that too - just the other day I was like 'Wait a minute, that doesn't actually work. I need a better flowchart.' I appreciate that too. I've never used Google Draw - you mentioned that in the other interview - so I'm going to have to make sure I use that for flowcharting. I've been using Keynote and making cool things but it's kind of a pain because you have to take screenshots, so thank you for that.

Dave: And it's obviously all online.

Jaime: Yes, Google Drive is awesome. Thank you so much for coming on the show today, Dave. Tell us where we can find more information about Hub Staff.

Dave: HubStaff.com and for free information on management stuff there's Blog.HubStaff.com. There's a book there and a free account at HubStaff.com so you're welcome.

Jaime: And I'll go ahead and put up the link to the other interview too, because that has a whole bunch of information on how to use Hub Staff, in case people are interested in that. I'm sure I'll have to become an affiliate because I'm already telling people about it! Thanks so much for coming on the show today, Dave, I really appreciate it.

Dave: Thank you.

Announcer: Thanks for listening. You can find out more great information like this on EventualMillionaire.com.