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Teamwork

Establishing the A team is

not that easy
Employment
agencies can
be a double-

edged sword,
writes Stephen
Timm

INCE starting up nine
years ago Taste Holdings
has grown from one
Scooters pizza delivery
outlet to more than 250 outlets
across three brands — indirectly
employing more than 4 500
people across its franchises, with
sales of R570m last year. But
putting together the right team as
a young company wasn't easy, says
CE Carlo Gonzaga.
When Carlo, 34, and his father
Luigi started Scooters Pizza they
did so with two employees they'd
never met before but who they
had heard about through the
franchise sector while running
several Debonairs outlets in
Durban.

Money was tight and Gonzaga
and his father had to consider

other criteria when building a
good team.
"Generally the guys who have
the skills on the CVyou can't
afford," says Gonzaga, who points
out that what really is valuable is
when the person you take on
shares your vision and passion.
Since the first Scooters pizza
outlet opened, Taste Holdings—
which also owns retail jewellery
chain NWJ Holdings and Maxi's
Restaurants—has grown at a
rapid pace with a new outlet
opening every two weeks.
Gonzaga admits that all
through it, working with his father
has had its ups and downs with
board members always fearful
that a split was imminent.
"But if we disagree on
something we shout and scream

and get it out in the open."
He says the key is to be honest
with one another and respect what
the other brings to the business.
"There's no time to dwell on
things and let things boil,
especially in the start-up phase."
Though he believes in the
importance of developing close
relationships with those he works
with, he says this doesn't mean you
can't fire them, and often one of
his biggest regrets is not firing
soon enough.
"My general maxim is that if
you're thinking of firing someone
already, you should." he says.
It is important that a business
owner delegates responsibilities to
others to avoid dealing too much
with operational issues and not
spending enough time growing

HIRE, FIRE: Carlo Gonzaga says generally the guys who have the skills on the CV you can't afford. What really is valuable is when the person you take on in your business shares your vision and passion.

the business, he says.
Being able to take quick
decisions — even when something
goes wrong—is also crucial.
"When you're indecisive and
you're growing it's like a wave that
crashes behind you".
Setting agreements in place
between directors or employees is
important and these should always
be on paper he says. "A handshake
over six beers tends to be fuzzy. To
me (written) agreements provide a
source of clarity."
Agreements can also prove to
be assets to the business when it
comes to looking for a potential
buyer.
"Sometimes when you're in

!the
start-up phase you're so busy that
vou don't think of what creates

value," says Gonzaga.
He points out that business
owners are often concerned about
costs but that patent agreements,
restraint-of-trade agreements and
franchise agreements all add value
to your business, particularly
when you want to get outside
investors interested.

Yet through it all he has largely
steered clear of recruitment
agencies, which he calls his pet
hate.

"I think in nine years we've
employed three people via
recruitment agents," says
Gonzaga, who aims to be an
employer of choice with his
company's reputation such that he
can attract the best human capital.
He says that although

mRecruiting

people when

you're starting out
often involves a more

organic, less formal

approach between

people that know and
trust one another

recruitment agents do have a role
to play, they shouldn't take away
the responsibility of managers in
conducting reference checks on
suitable candidates.

Another company that learned
an important lesson in hiring the
right people for their business is
Habitaz, founded by
entrepreneurs Hein Koen and
Andre Sharpe in 2004. The two,
along with a third partner James
Mitchell, last year sold the
company, which offered serviced
office and workspaces for mobile
workers, to the Regus Group.

But in Habitaz's first year the
business hired and fired 23 front-
desk assistants across its various
branches, says Sharpe.
He believes the mistake they
made was to rely too much on
recruitment agents and not to
focus enough on asking what each
candidate's outlook on life was
when considering hiring them.
Koen, who met Sharpe at an
MBA course at Wits University in
2003, says it is very difficult to
draft on paper the perfect team
you want. Recruiting the right
people when you're just starting
out often involves a more organic,
less formal approach between
people that know and trust one
another.

He says typically a lot of skills
people purport to having on their
CVs don't materialise in the end
and he believes it is more
important to look at what the
attitude of the prospective
•employee is to the company.
Seeking out diversity in a team
is also important.
Koen says business owners
should not shy away from
employing candidates that may
not necessarily share the same
outlook as them, as it is important
to have people in your
organisation that can challenge
your views.
He dispels the oft-made
remark about being careful about
going into business with friends
and says there is no hard-and-fast
rule on this.

"Andre and I have a very tight
relationship with one another, but
it's not like we're spending every
weekend with one another."

He also says it is important to
be able to separate business issues
from personal ones when
partnering with friends.
"Andre and I can have a
shouting match for two hours and
then go for a beer."

Page 1 / 1 Size=262X389mm