



Hairdresser Career Development Systems

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107

BUSINESS TIPS

for

SALON OWNERS & MANAGERS

*Your Blueprint for a
Successful and Profitable
Business*



JON GONZALES

A Message from Jon Gonzales

The following business tips for salon and spa owners are designed to help simplify the many challenges of owning your own business, especially in today's volatile business climate.

As a salon owner and hairdresser with over 43 years of real world experience, I understand how difficult it is to wear so many hats in trying to run a successful and profitable business.

For salon owners, time is money. You not only have the challenges of being business men and women and managing and educating your team, but many of you also work 8-12 hours a day behind the chair. Filling all these demands can be overwhelming.

The business tips in this booklet will help simplify your many challenges.

I would guess that everything that has happened to you has happened to me during my 43 years of building a successful hairdressing career and profitable business. I understand the challenges you face.

I know this booklet will help you learn from my successes and challenges, and makes your journey easier and more successful.

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Setting Goals

- 1 Define clearly what will make you happy as a salon owner, personally, professionally, and financially.
- 2 Write your goals clearly on paper or on your computer, then make adjustments and add new goals when your original goals are met.
- 3 List your expectations of owning your own business. Are your expectations realistic and reachable? Do you have the passion and fierce determination needed to succeed?
- 4 Do you know what it takes to own a successful business. Review Jon's Salon Owner Questionnaire found in his **Creating Your Salon** book.
- 5 Separate your goals into personal, professional, and financial goals. These goals relate to each other, yet they need to be created individually. Goal setting will help you stay on target. Vague goals will present vague results.
- 6 Let your goals serve as a roadmap that will help you stay focused and help you avoid being a procrastinator.
- 7 Take small steps. It takes time, patience, and hard work to build a successful and profitable business.



Business Management

Lack of Business Management Skills is one of the leading Causes of Business Failure

- 8 Seek help, especially in the business aspect of salon ownership. There are excellent classes and educators to help you develop powerful business management skills. Learn from people who have endured and overcome many of your same challenges.
- 9 If opening a new salon, attend a pre-opening business workshop.
- 10 Visit www.score.gov or www.sba.gov, which offer a wealth of free information. Lack of planning and organization is also one of the leading causes of business failure.
- 11 Attend Jon's intensive all-day business management seminar **How to Grow a Successful and Profitable Business Even in a Tough Economy**. You literally receive a business degree at a fraction of the cost in time and money of acquiring a business degree in college. Learning how to own a successful business by trial and error is just too costly!
- 12 Conduct a demographic study of locations you're considering, if you're planning to open your own business. A reference librarian will be able to help you.
- 13 Make sure your location has plenty of parking and foot traffic.
- 14 Make sure you select an attorney who specializes in lease negotiations when negotiating your lease. You're signing a legal document; make sure you clearly understand the terms of your lease.

15 Review your pre-opening expenses such as signage, at least 6 months of living expenses, equipment, deposits, etc.

16 Review and write down your on-going monthly business expenses, including your own salary.

17 Make sure you look at your profit and loss statements periodically. Numbers don't lie. This is your score card. Are you really making a profit?

18 Define clearly your biggest challenges. Write your challenges down and then prioritize what is most urgent to overcome.

19 Define clearly your competitive edge. Why should someone patronize your salon and not all the other salons in your community?

20 Define clearly your competitor's competitive edge.

21 Seek out the opinions of others when you're struggling with your business. There is much information available that can help you. Hairdresser Career Development Systems can help.

22 Write a business plan with the help of your accountant. Jon's book, *Creating Your Salon*, will help you in this area. Also refer to the Resources at the end of this booklet.



Hiring New Staff and Staff Development

23 Recruit potential employees by offering your services as a judge at your local beauty school competition, or by offering your services as an advisory board member at your local beauty schools.

24 Design a recruitment brochure and letter for newly graduated students. List all the benefits of working in your salon. List training and education benefits you offer.

25 The more applicants you can attract, the greater your selection options when hiring quality people.

26 Post your recruitment brochure on your web site or social media resources under employment opportunities.

27 Consider renting a small booth at your local beauty show, passing out your recruitment brochure and answering questions from students and hairdressers interested in seeking employment opportunities.

28 Look for hairdressers who share your goals and vision, and meet your educational guidelines.

29 Use an application form to help you make better-informed decisions and save valuable time. On the form, ask questions like, "May I call your prior salon for references?" or "How many salons have you worked in the past two years?" Jon's book *Creating Your Salon* has a sample application form that you can use as a guide.

30 Look for a stylist with a fantastic and professional appearance, especially if you want to attract an upscale clientele. Are we not in the business of making our customers look good? If your hairdresser can't make herself look good, how to can you expect to make your customers to look good.

31 Seek out applicants with a pleasing personality and strong people skills. Hairdressing is a people business. We not only have the opportunity to make our customers look, but also lift their spirits and make them feel good about themselves.

32 Seek out candidates who show a willingness to learn. Are they willing to adapt to your salon's quality control and educational guidelines? Are they willing to assist other hairdresser's in the salon when they're not busy? Do they really want to learn? Are they willing to sign your terms of employment? Do they really need a job?

33 Look for people with strong work habits and positive attitudes.

34 Seek out the opinions of your key team members before you make a hiring decision. Everyone on your team should be compatible.

35 Make sure new hires read, understand, and sign your terms of employment, which should be included in your salon's Employee Handbook. Keep this signed document in his or her employee file.

36 Consider adding a non-compete agreement. They are enforceable, if reasonable. You have every right to protect your business and client list. Consult with a labor law attorney.

37 Let applicant do the talking during the interview. What are their goals?

38 Listen to what their expectations are about joining your team.

39 Set a probationary period for all new people who are going to join your team. Review your probation guidelines with them.

40 Establish strong work habits and positive attitudes during probationary periods. Jon's educational programs for hairdressers will help you in this area.

41 Consider hiring young new talent they are easier to train and develop into your salon culture.

42 Be careful when you hire experienced hairdressers, they may not be willing to share your vision and be willing to adapt to your salon's quality control system and want to go solo.

43 Establish an employee personal file for each employee. Include the signed application form with date of hire, attendance and tardiness records, disciplinary actions, progress reports, and any other information concerning your new team member.

44 Seek out a labor law attorney who specializes in protecting your rights as an employer.

45 Document all correspondence with your new employees.



Employee Training Guidelines

46 Orientation procedures should be well defined, covering everything from telephone etiquette to greeting customers in a congenial manner. Refer to Creating your Salon.

47 Create an Employee Handbook. Your hand book will serve as a valuable resource in helping you, improve staff performance and productivity, and should be the foundation to employee training.

48 Review contents of your employee handbook during your orientation procedures. Make sure a labor law attorney reviews your Employee Handbook.

49 Make sure you include job descriptions in your Employee Handbook. Creating your Salon will be extremely helpful.

50 As a leader of your team, your challenge is to instill in your new staff member, strong work habits and a positive attitudes. This is crucial at the beginning of their employment. Let us help them form strong work habits in the beginning of their employment.

51 Make sure potential new employees share your salon goals, vision and commitment to teamwork before you commit to hiring them.

52 Allow new hires to assist other stylists , a great way to help them gain valuable hands-on practice without compromising your client retention efforts.

53 Make sure each new member of your team has his or her own employee hand-

book. You can't expect them to perform if they don't know your expectations and how they'll be measured.

54 Review your performance standards and how they will be measured; making sure your new team member follows your quality control guidelines.

55 Develop an easy-to-learn employee training program, making sure new hires understand your quality control guidelines before you allow them to work on paying customers.

56 Monitor the performance of all your team members. Monitor their customer referral rate and client retention rate.

57 Always keep lines of communication open between staff members and management. Always let your hairdressers know that you welcome feedback and that your door is always open. Create an environment of trust, not fear.

58 Invest in your salon's greatest profit potential—educate your team. The higher your educational standards the higher your rewards.

59 Make your team members successful—as leader of your team, your challenge is to show them how to double and triple their income; doubling and tripling your profits will be your reward.

60 Always deal in terms of their benefit, not yours. All they want to know is what's in it for them.



Apprenticeship and Junior Stylist Program

61 Develop your own apprenticeship program which allows you to gradually ease new hires into your salon culture. This is an excellent way to make sure they understand your quality control guidelines without compromising your client retention efforts. For more information on developing a junior stylist program refer to Jon's educational materials.

Elevate new team members from assisting to Junior Stylist status when you feel they are prepared to work on paying customers at regular prices.

62 Let your junior stylist work one day a week on real customers at reduced prices under the supervision of your master stylist or director of education. The money they bring in as a junior stylist will help you the owner recover training costs.

63 Post a sign at the front desk stating Junior Stylist available on Tuesdays. Gradually you can add more days as experience increases.

64 Elevate them to Master Stylist at regular prices when you have confidence in their development and understanding of your quality control standards.



Increase Salon Traffic Effectively

65 Positive word of mouth advertising will always be your cheapest and best form of advertising.

66 Make sure you monitor the performance of your staff by measuring customer return rate and their referrals.

67 Stay in touch with your customers at least 4 times a year, sending little messages. Make sure you have an email messaging system to stay in touch with all your customers. Build customer loyalty to your business.

68 Build the reputation of the salon, not the reputation of the hairdresser.

69 Take advantage of promoting and marketing your business through social media.

70 Build your web site, then link to Facebook, Twitter, and LinkedIn to it, or develop your own you tube channel.

71 Set up an email marketing program. Constant Contact and Mail Chimp are excellent products which can help you send email information to all your present and future customers.

72 Seek help from social media consultants who can help you develop or manage your social media network. There are many students that can help you in managing your social media campaigns.

73 Seek and invite customer feedback. You might be surprised at what you learn.

74 Ask for suggestions to help you improve your services or products.

75 Send a letter or make a phone call to customers you may have lost. Let your old customers know you miss them. Past customers are the easiest customers to get back. Offer a discount as a thank you for giving you another opportunity.

76 Perform a demographic study before you send out any advertising. Make sure you target the right potential customers, especially if you want to attract an upscale clientele.

77 Make sure you measure whether or not your advertising is working. You cannot afford to waste money on advertising on a hit and miss basis.

78 Have all new customers fill out an information card. Be sure to collect their email address and ask how they found out about your salon. Include opt-in boxes to receive your newsletter, blog, referrals, etc.



Client Retention

When a salon gets a fair measure of new customers who don't become repeat customers, it's a red flag signaling the existence of a problem. Losing just one customer not only hurts your bottom line, but affects the reputation of your team. Negative word of mouth publicity is devastating.

79 Earn the loyalty of your customers by implementing a strong client retention program in your salon.

80 Avoid staff turnover; turnover affects the morale of your staff and sets a negative tone with your customers. Maintaining business stability is critical to growing your business.

81 Guard against an attitude of indifference among your team. Indifference or a non-caring attitude towards customers, affects the growth of your business and the livelihoods of your other staff members. Customer service is a strong deterrent to losing valued customers.

82 Make sure your stylists always show a caring and sincere attitude towards their customers.

83 Training and educating your team will dramatically improve your client retention efforts.

84 Let your staff know that losing even just one customer and his or her family affects the future growth and income of everyone in the salon. How can you expect to grow a business and raise prices with a merry-go-round of lost customers?

85 Send your staff to one of Jon's popular Personal Success Seminars, a great way to help eliminate customer loss. The more you educate your team, the less chance you have of losing customers.



Staff Retention

Why do hairdressers change jobs? Whose is at fault?

86 As a salon owner, work hard to create conditions that foster loyalty.

87 Work hard to keep your stylists busy. You will both succeed.

88 Stay in touch with your hairdressers by having one-on-one evaluations. Make sure you let them know you appreciate their hard work.

89 Offer incentives and rewards for a job well done.

90 Make your staff feel valued and appreciated.

91 Create a salon environment of trust, not fear.

92 Be a mentor and coach to your staff so they see you as on their side.

93 Always be sensitive , to the feelings of others. Treat others the way you expect to be treated.

94 Provide a professional and positive salon environment.

95 Invite employee feedback. Make sure your door is always open for employees.

97 Ask employees, from time to time on an individual basis, how am I doing as your boss. Ask them, how I can improve as your boss.



Improving Staff Performance and Productivity

98 Excellence begins at the top. As a salon owner, you must develop powerful leadership skills.

99 Invest in educating your staff. It's the easiest and most effective way to improve profits.

100 Lead by setting positive examples. It will work wonders with your staff.

101 Give your staff the educational support and educational tools they need to excel. My book *a Hairdresser's Guide to Success –Personally, Professionally, and financially*, will be invaluable in helping you to improve staff performance and productivity.

102 Always try to look for the positives in your staff, if you try hard enough you won't see too many of the negatives. Remember, you hired them for a reason, you must of seen some good in them.

103 Work hard to preserve the dignity of your staff's feelings. Always attack the problem, not the person. In staff meetings, never name names or embarrass team members.

104 Make employees' jobs fun by providing rewards or incentives and a lot of praise for outstanding performance.

105 Show a sincere interest in your employee's development and well-being. Sometimes a little pat on the back for a job well done will go wonders.

106 Designate job duties and expectations clearly. Employees respond to and respect strong management when their job duties and expectations are clearly defined.

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About Jon Gonzales

Jon's career spans over 43 years as an owner/hairdresser, seminar leader, business consultant, educator, motivational speaker, and author. He is a graduate of the University of Hard Knocks.

His no-nonsense down-to-earth educational programs and seminars for hairdressers, salon owners, teachers, nail techs, estheticians—and everyone involved in the beauty profession—are receiving rave reviews. They are imaginative, easy to understand and cost-effective. His programs are widely acclaimed throughout the United States and Canada for helping his colleagues reach higher levels of excellence.

Education is his only business, excellence is his standard.

Jon shares his proven real-world insights that can only be taught by a fellow salon owner and hairdresser who clearly understands the business and educational needs of his colleagues.

Jon is committed to make Hairdresser Career Development Systems a truly educational company you can trust and count on, free of any special interest groups.

Jon is committed to helping his colleague's reform education, raise their standard of living and improve the quality of their lives for themselves and their families.

Whether you're just starting a business or, have years of experience, these tips will save you time and money, and serve as a roadmap in growing a successful and profitable business. For ongoing success tips, business tips, weekly blogs, seminar dates, show schedules, monthly newsletters, and special announcements, please follow Jon at facebook.com/jongonzaleshc4you and click like button.

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