

Baltimore Studio of Hair Design School of Cosmetology

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WHAT YOU SHOULD KNOW ABOUT COMPENSATION

Cosmetology and Manicuring is basically a commission business and that is the reason it is such a lucrative field for achievers. It is important to understand how Salons pay.

On the sliding scale commission which is a universal favorite, you must be willing in the beginning to work for 40-50% of your gross pay, knowing you'll make more as your gross gets higher. If you're not on the higher end consistently, you must figure out why and do something about it. The sliding scale commission works like this:

*If you gross \$200 or less each week
You make 40% commission on that amount*

*If you gross \$200 to \$300 each week
You make 50% commission on that amount*

*If you gross \$300 to \$400 each week
You make 55% commission on that amount*

*If you gross \$400 or more each week
You make 60% commission on that amount*

EXAMPLE: A gross pay of \$300 times 40% is \$120. If the commission was a straight 50%, your net pay on \$300 gross would be \$150, a difference of \$30.

The rates used here as an example do not necessarily represent actual wages or percentages, but can help you figure the different pay plan. Don't forget commission on retail sales. Many Salons offer retail hair care and toiletry items that you may receive commission on as well.

The weekly guarantee is a specified amount of money that you can count on, if your commission does not meet it for any given week. Guarantees range from \$50 to \$150 or more depending on the additional duties required.

Larger Salons and small chains may offer another pay inducement plan called a draw. With a draw you are paid your commission or set sum, whichever is higher, like in the guarantee plan.

Most of the hassle of self-employment has been removed when you work for a department store or chain salon. Regular store benefits for health and life insurance, in store buying discounts; job security through store personnel office hiring, and of course, regular hourly wage or some of the benefits.

** This information was obtained from Milady Job Hunting For the Cosmetologist Milady Publishing Corporation, Bronx, NY*