

Business Practices Vocabulary

Booth Rental - An arrangement in which an esthetician is required to pay the owner a set rental fee, along with payment of utilities as agreed upon, to operate within the confines of a particular space within the owner's establishment Benefit: paying owner a rental fee to use it. Fact: renting a booth or chair from a salon owner, or working for an employer on a salary or commission-based structure.
Business Plan - A strategy for understanding key elements in developing business that also serves as a guide to making informed business decisions Benefit: developing business. Fact: a document setting out a business's future objectives and strategies for achieving them.
Consumption Supplies - Items that are used to conduct business operations on a daily basis Benefit: items used to conduct business. Fact: supplies used in daily business operation structure controlled by one.
Corporation - Form of business ownership whereby three or more people known as stockholders share ownership however the corporation is considered an independent legal entity separate and distinct from the owners with its own rights privileges and liabilities Benefit: where ownership of business is shared. Fact: a company or group of people authorized to act as a single entity (legally a person) and recognized as such in law.
Demographics – These are certain characteristics of an area or population. Examples

are the specific size, age, sex or ethnicity of its residents, average income and buying habits

Benefit: Shows all characteristics of an area.

Fact: statistical data relating to the population and particular groups within it.

Employee Manual - a handbook or guide that supplies employees with important general information about salon operations such as the number of sick days or vacation time allowed, what holidays the spa is closed, the procedure for calling in late or sick, the appropriate dress code for estheticians and other policies

Benefit: guide for employees to follow.

Fact: Usually, the employee handbook contains several key sections and includes information about company culture, policies, and procedures.

Fixed Costs - Refers to those operating costs that are constant; for example, rent and loan payments

Benefit: operating costs are consistent

Fact: business costs, such as rent, that are constant whatever the quantity of goods or services produced.

Job Descriptions - specified list of duties and responsibilities that are required of an employee in the performance of his or her job

Benefit: list of duties and responsibilities.

Fact: a formal account of an employee's responsibilities.

Partnership - Form of business ownership whereby two or more people share ownership, although this does not necessarily mean an equal arrangement. In a partnership, each partner assumes the other's unlimited liability for debt. Profits are shared among the partners

Benefit: business ownership between two or more people.

Fact: profits shared among partners.
Procedural Guide - Manual of set instructions designated to standardize operations that supplies specific protocols for conducting individual services such as the expected method for performing a glycolic or microdermabrasion treatment Benefit: set of instructions. Fact: Procedure manuals, as used in this paper are tools created by communities to help staff, commission members, property owners and the general public understand the procedures used in implementing the local zoning ordinance
Profit - Amount of money available after all expenses are subtracted from all revenues Benefit: amount of money you make Fact: a financial gain, especially the difference between the amount earned and the amount spent in buying, operating, or producing something.
Public Relations (PR) - The planning and developing of relationships to achieve a certain desired behavior Benefit: planning of relationships. Fact: the professional maintenance of a favorable public image by a company or other organization or a famous person.
Retail Supplies - Items available for sale to clients Benefit: available for sale. Fact: any product available to sell for clients.
Revenue - Income generated from selling services and products or money taken in Benefit: income from selling services. Fact: income, especially when of a company or organization and of a substantial nature.
Sole Proprietorship - Form of business ownership whereby an individual acts as sole owner and manager and is responsible for determining all policies and making all of the

necessary decisions associated with running a business

Benefit: business ownership with one person.

Fact: one person determines what the policies and the decisions are for the company.

Variable Costs - Business expenses that fluctuate such as utilities supplies and advertising

Benefit: expenses that fluctuate.

Fact: a cost that varies with the level of output.

