

THE ESTHETIC ENTREPRENEUR

BY
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Webster's dictionary defines the word "entrepreneur" as "one who manages, and assumes the risks of, a business or enterprise. "People who go into business for themselves display common characteristics. They are more willing to take chances on their financial security because they have a higher tolerance for uncertainty than most people have. According to a recent survey cited in Entrepreneurial magazine in which 500 female business were asked "if they would ever consider switching to a company or a corporate career," 60 percent said they never even considered abandoning their current status as business owners for a more stable professional situation. Despite the **risks** and long hours typically associated with business ownership, the entrepreneurs surveyed actually claimed they felt more job security.

Entrepreneurs tend to be more disciplined and more focused, **almost** to the point of obsession. They think about their business constantly. It's on their mind when they wake up, and it's their last thought at night before they go to sleep. Keeping up with the kaleidoscope tastes and trends of today's marketplace requires assiduous effort. Entrepreneurs thrive on these challenges. It is the "contest" that motivates them and the need for personal achievement. Entrepreneurial people believe in their own personal resources: their ability to take the initiative, their enthusiasm, high energy, intelligence, creative ability, and their experience. A successful entrepreneur not only understands what worked in the past but can also envision the new paths necessary to meet the challenges that naturally arise in business situations. Most importantly, they trust their own instincts. Successful entrepreneurs know that start-ups aren't simply about hard work; they also demand sustained creative energy. They have creative ideas and they make them work by aiming high, working hard, and accomplishing what they set out to do.

IT'S ABOUT CONTROL

More and more estheticians are opting to control their income and future by accepting the challenges associated with operating a business. In the past decade, more female skin care professionals than ever before have abandoned their **comfortable** and secure jobs, determined to go for it on their

own. In fact, according to the United States House of Representatives Committee on Small Business, women will own 50% of all U.S. businesses by the year 2000 and many of those businesses will be directly or indirectly linked with the beauty industry.

HAVE YOU GOT WHAT IT TAKES TO RUN YOUR OWN SHOW

Owning one's own business can be empowering and **revolutionary**, but rest assured that behind the plush, attractive storefront facades are stories of **skin** care professionals who have painstakingly struggled to make their way in the esthetics industry. They have made numerous personal sacrifices, faced privation, long workdays, and even sabotage **from** competitors. With salons and spas dividing and multiplying like rabbits the skin care entrepreneur must deal with competition every bit as fierce as any faced by software **manufacturers** or carmakers. As subtle forms of sabotage, some salons tell customers that their competitors use cosmetic substances that are considered unsafe and that cause rashes and other allergic reactions or that their salons are not hygienic. To keep up with the competition, esthetic entrepreneurs have had to be both tough and ingenious. Just to meet the day-to-day expenses of operating a demanding business they have to **constantly** institute exclusive services and offer **discounts** on products and procedures that reduce their profit potential.

It takes more than positive thinking to start a business. **Estheticians** plagued with entrepreneurial fever have had to meet setbacks, rejections and mistakes. Many salon and spa owners have saved for years and have worked more than one job to support their dreams. More than a few were **forced** to borrow from friends and relatives when banks and loan institutions refused them financial support to startup their own endeavors.

NOT EVERYONE IS THE BEST CANDIDATE FOR SELF-EMPLOYMENT

A mad rush to begin your business is not always the wisest choice. Running a business is a complex affair that not everyone is equipped to handle. There are problems one must confront when self-employed. You must be able to make a realistic appraisal of your skills. Even though there are no educational requirements for starting your own business, going into business may require more experience and background than you currently possess. To

be successful, you must be willing to obtain extra knowledge and to devote long hours to learning all that you can about the business in which you are interested.

It takes certain attributes to flourish as a business owner. Do you fit the profile? One way to evaluate if you have what it takes to own your own business is to ask yourself the following questions; “What has my professional experience included?” “What are my strongest skills?” “What are my weaknesses?” “Would I hire myself to run a business?” “Do I have the patience to grow a start-up business • can I delay monetary gratification?”

There are two distinct types of entrepreneurs • and you will need to possess qualities of both. First there is the “the buccaneer”. This is the type of trailblazer who loves to charge right in - throwing caution to the wind knowing how competitive the skin care business has become. Then there is the other type of entrepreneur, “the farmer” who carefully considers long term outcomes and regardless of prevailing professional pressure, tends to be more cautious and methodical. Estheticians who possess **characteristics** of both will be the most successful.

PERSONAL RATING CHART FOR POTENTIAL ENTREPRENEURS

The small business administration recommends that anyone considering their own business should personally rate themselves on the following **list** of personal traits and attitudes. To do so, circle the description of the traits that you think best apply to your personality and character.

I take the initiative I’m industrious I welcome responsibility

I make quick and accurate decisions I have a positive interest in people

I’m not easily discouraged by obstacles I am courageous

I am capable of perceiving and arranging fundamentals in logical order

I am alert to opportunities I inspire confidence and loyalty in others

I am energetic I am capable of working hard for long hours

SEEK PROFESSIONAL ADVICE

The figures show that nearly two out of every three new business fail within the first five years. Business is so complex these days that you cannot cover all the bases yourself. For this very reason, you should **first** seek professional advice if you are considering starting up your own company. It is wise to pay attention to established esthetic **entrepreneurs** who have had extensive experience owning and operating a private business. A seasoned entrepreneur, one who is running the same type of enterprise you are interested in, can advise you about the challenges and hurdles you might have to face. Their expert advice can be extremely valuable and may save you **from making** serious mistakes during the early stages of growth and development.

One of the major reasons that most small companies **fail** is because there is not enough money “up **front**” . . . in other words, start up capital. According to the market-research firm, Venture Economics, to even start a home-based business would cost about eight thousand dollars. This amount would cover only office supplies and equipment, not rent or insurance. Financing for other legitimate business expenses, such as inventory, advertising, raw materials and processing would also be needed. Start-up capital should include a reserve fund to cover **financial** setbacks and to keep the business afloat at least until the profits start coming in. Businesses that require capital investment generally take a year or more before they show a profit.

If you have considered going into business for yourself have a very solid financial plan. **One** of the best sources of financial information is the Small Business Administration. The SBA is the leading government - supported source for consulting on small business. SBA provides a wide range of counseling services that can help you get your new business up-and-running. In addition, you can obtain books and pamphlets on every aspect of business management, rules and regulations. These include: zoning, licenses and permits, safety and sanitation regulations, naming the business, trade names, trademarks, insurance, record-keeping, taxes, trade credit, bank loans and buying, renting and leasing equipment. Check the white pages of your telephone book under U.S. Government listing for the address of your nearest SBA office or write to the Small Business Administration,

Washington D.C. 20416. The U.S. Small Business Association's toll **free** number is **1-800-8-Ask-SBA**.

The U.S. Department of Commerce offers **free** publications, which analyze various businesses. The department has field offices located in various cities throughout the country. For additional pointers and information, contact your local chamber of commerce by phone, mail or personal appointment.

Banks, colleges and universities also a wide range of business counseling services and programs that are generally **free**. Also consider contacting a business consultant, a specially trained expert that can offer accurate, straightforward information to small companies, as **well** as to large corporations. Fees for professional consulting services vary, ranging **from** \$100 to \$1,000 per day.

Jane Applegate's book entitled "Succeeding in Small Business: The 101 Toughest Problems and How to Solve Them", will give you an overview of what challenges you will have to meet as a self-employed esthetician. Entrepreneurialism doesn't have to be a **24-hour-a-day**, 7 day a week endeavors. Who says being in business can't be fun. With careful planning, and a little luck, you can turn your dream of establishing a profitable, long-standing esthetic enterprise into a reality.