

2022 ISSUE BRIEF THE MASSAGE WORKPLACE

INTRODUCTION

Massage therapists work in many different environments. They may work in clinics, hospitals, wellness centers, integrative health clinics, spas, gyms, or massage franchises. This document does not target any specific working environment. Instead, it explores general issues that may be found in the massage therapy workplace and possible solutions to the problems.

ISSUES

Commission-Based Pay, Subject to Deductions

One issue commonly seen in the massage workplace is commission-based pay, which is subject to deductions. The most common deductions to pay for massage therapists are sales, promotions, or discount site deductions. When a massage consumer is offered a discount in this compensation model, it lowers the pay of the massage therapist. This makes predicting massage pay very difficult for the massage therapist and can present a disappointing scenario in which the therapist expects to make a certain amount for the service being provided, but they are paid considerably less. Let us look at an example:

Swedish Massage Price: \$80.00

Commission Pay: 20% of Service

Expected Pay: \$16.00 Groupon Price: \$40.00

Commission Pay: 20% of Service

Actual Pay: \$8.00

This is one example of how much discounts and promotions affect the pay of massage therapists when they are on commission-based plans. While discounts and promotions may have the effect of increasing the volume of massages performed, and business owners may believe that the volume makes up for the lost pay, you can see in the example above those deep discounts can cause the employed massage therapists' base pay to drop below minimum wage in most states. Lost wages based on these types of discounts can be significant and unpredictable in the massage therapy workplace, causing financial issues for massage employees.



Engaged to Wait versus Waiting to Be Engaged

Engaged to wait means that a massage therapist's time is considered hours worked. If you clock in at the beginning of your shift and clock out at the end, and you are required to stay at work, even if you do not have bookings, you are Engaged to Wait.

Waiting to be engaged means that a massage therapist's time is off the clock. These hours are not counted as time worked or payable, under the FLSA (Fair Labor Standards Act). If you do not clock in and out for your massage shifts, but are asked to stay at work, or to report to work if you receive appointments, you are Waiting to be Engaged.

Being Engaged to Wait is time spent for the benefit of the employer. If you are engaged to wait, you might spend time with other co-workers in your break room, watching videos, or on your phone, relaxing and doing whatever you like, but you will not be allowed to leave. Waiting would be considered a part of your job. If your employer allows you to leave, they can ask you to come back and be ready if work arrives. While engaged to wait, you may be asked to do other duties around the workplace. This is legal.

If you are waiting to be engaged, you may be sent home, but asked to return if a client arrives or at a certain time. You may be asked to clock out in this case and will not be compensated for your time or hours, or you may not be subject to clocking in or out at all. You can use your time for your own purposes. This is often the case with "On-Call" employees. If you are called into work, but not booked, you are then "Engaged to Wait" and must be compensated for your time.

These laws can be confusing to massage therapists. Not only are they engaged to wait, spending wasted time at work, but they may also be asked to perform other duties while they are engaged to wait. We are finding that most massage therapists do not want to perform other duties because their hourly pay is significantly lower during off-duty time. Also, their hands-on compensation equals minimum wage, some employers will tend to take away the hourly time, and only pay the hands-on time to the employee. This may result in massage therapists questioning the legality of business practices. Most massage therapists are paid by "piece work" standards. Some massage employers even pay by "tip credit" standards. Both standards reduce the massage therapists' base pay and allow employers to pay less in base-pay by law.

Lack of Benefits

We found through our research that over 50% of massage employees who took our "Give Your Workplace a Checkup" survey do not have any benefits at work. Massage therapists are exposed to many hazards at work. These include burnout, injury, vision challenges, moving equipment, heat, possibility of massage mediums causing dryer fires, biohazards, extensive lotions/potion/creams/oils with chemical contents, and more.



Yet, most massage therapists do not have health care, dental care, vision care, retirement benefits, or any other benefits in the workplace.

We see massage employers advertising "You get to keep your tips" as a benefit, or "You get discounted services" as a benefit, when these are standard operations in most massage businesses. Benefits to massage businesses are often marketed as employee benefits. Many massage therapists see this as deceptive and dishonest.

Weekend, Evening and Holiday Work

Most massage employers market "flexible" working hours. From what we can see, in the world of work is that as a massage therapist, the term flexible hours means that you are required to work weekends, evenings, and holidays. When you work in the resort spa environment, you may be subject to working every holiday, and not allowed to take any time off during holiday periods. This may also happen during high periods at franchises, and with other massage employers.

Unfortunately, massage therapists miss out on valuable family time, are unable to create work-life balance, miss out on spending time with their children who are home from school on the weekends, miss out on family holiday celebrations in order to treat clients, and may works shifts that require them to cross over into the evenings, lasting the bulk of the day, such as 11am-7pm, with very little time outside of work for themselves. This is one reason many therapists choose to work part-time rather than full-time hours.

Reliance on Tips

Massage therapists in the typical massage workplace rely on consumer tips or gratuities to make up for their base wages. Tips may be 50% or more of the massage therapist's base pay. In a typical franchise environment, a massage therapist may be paid around \$24,000.00 base pay, working close to full-time. Tips may be around \$28,000.00 for a typical yearly income of \$52,000.00 total.

The problem with relying on tips is that tips are variable from consumer to consumer. Some consumers may choose not to leave any tip, some leaving only \$5.00 or less. It appears that most massage consumers leave \$10-\$20.00 tips, no matter how long their service lasts. When massage consumers decide what the salary of a massage therapist is, this presents multiple problems for the therapist which we will touch on in later issue briefs.

Variable Incomes

Variable incomes for therapists are also a major problem. In some locations, therapists may have a high and a low season, where they make most of their annual salary during the high season and make just over their base pay during the low season. This creates a "feast or famine" situation for the massage therapist and their family. Therapists in these environments are typically encouraged to save money



during their high season, but what typically occurs, is the therapist trying to catch up on bills during the high season that they could not pay during the low season. They have fallen behind on their bills and taken hits to their credit.

Additionally, it is very difficult to obtain credit or loans on a variable income. It is also difficult to obtain government assistance, if necessary, because changes in income must be continually reported. Assistance (including state medical plans, SNAP, or other types of public assistance) may be cancelled during the high seasons, causing the therapist to have to reapply and go through a waiting process to receive public assistance again during the slow season.

Early Burnout

The typical massage career span is seven years. Within five years, many massage school graduates will exit the field. Because the field has such a high rate of burnout, it is very difficult to find committed and dedicated massage therapists who have the passion to move the profession forward and advance their careers.

Some massage therapists may transition into teaching or coaching to remain in the massage field if they experience practice burnout, but many simply drop out of the field all together and move into a different profession.

In the franchise environment, it is common for new therapists to experience burnout within their first two years, based on heavy workloads that lead to chronic pain, injury, and poor body mechanics. Managers and massage business owners who are not massage therapists are typically not trained to look for and recognize the signs of burnout and may fire or discipline employees who are experiencing symptoms, rather than offer ways to help the employee overcome burnout.

Workplace Injury

The probability of workplace injury is high for massage therapists, and we know that a lot of massage therapists do not file worker's compensation claims or report their injuries to management or business owners. Far too many massage therapists work through injuries. It appears to be all too common for managers to ask therapists to work through their injuries, because they lose money if therapists do not perform appointments. This can lead to employee resentment and a toxic environment for the therapist, the client, and the business.

Lack of Accommodations

There are few accommodations that can be offered to massage therapists in the workplace who are experiencing injury or other problems. Accommodations such as closer parking spots, the ability to sit while working (which often causes client complaints), and other accommodations all have pros and cons for the therapist and the business.



Non-Compete Agreements

Non-compete agreements are widely used in the massage industry. These agreements do not typically hold up in court, yet businesses are still using them to deter massage employees from taking clients with them when they leave the business. A better idea would be to include a non-solicitation agreement as part of employment rather than a non-compete agreement.

Potential employees in today's labor market may turn down positions because of non-compete agreements. When a business requires a non-compete, a candidate usually cannot get through the hiring process without signing. We see this as detrimental to the business and potential candidates.

Mystery Shopper Evaluations

Employees may be subject to mystery shopper evaluations. Mystery shoppers may be chosen by the manager, owner, or lead therapist. During a mystery shopper visit, the targeted massage therapist will be evaluated based on a certain criterion provided by the business.

The issue with mystery shoppers is that they may be biased, may be pre-informed of problems that other clients have experienced with the therapist in question, and may not be skilled or experienced in evaluating massage therapists. Massage therapists have been disciplined and even fired over mystery shopper evaluations, especially in franchise environments.

Customer Complaints

Because there is rarely a witness when it comes to massage consumer complaints, it appears that some consumers complain just to receive a free or discounted service. When this happens, the therapist may not be paid for the service they provided or may lose money on the service because the customer was offered a discount. Massage therapists may be disciplined, reported to the state board, or subject to an investigation. The therapist may even be suspended from work pending investigation.

Unfortunately, many workplace investigations happen with no proof of incidents. It is the client's word against the massage therapist's word. There is really no way to tell who (if anyone) is lying. Business owners and managers will typically look at an employee's track record, whether there have been any similar complaints prior to this incident and base their decisions on prior data.

Sexual Solicitation

We have seen an uptick of sexual solicitation in the massage workplace over the last two years. Potential clients may ask for sexual services upon booking their appointment. Some may send sexual text messages, asking massage therapists if they perform happy endings or full body rubs. Therapists are getting scammed via text messaging and appointment booking. Therapists are subject to sexual advances in the treatment room and are even sometimes groomed to provide sexual services over time



in the treatment room by clients. Because the customer typically decides how much a massage therapist makes in the workplace, tips are sometimes held over their heads by sex buyers. Sexual solicitation is a major problem in our industry, and therapists have traditionally had little recourse to stop it.

Sexual Harassment

A therapist may be harassed in the workplace by an owner, manager, client, or coworker. Sexual harassment happens more often than most people think in the massage workplace. Sexual relationships are sometimes initiated between coworkers, causing issues in the workplace that can lead to harassment complaints and toxic working environments.

Prostitution

It's common knowledge that prostitution happens in some massage workplaces. We know of one major player in the industry that has been accused of sexual exploitation. See here. Prostitution in the workplace should never be tolerated, and yet, when it happens, it often goes undetected.

Sex workers operating under the guise of massage therapy may provide sexual services to clients in the treatment room at work or outside of work. This puts their license in jeopardy, and they may be subject to fines and jail time.

Inappropriate Client Conduct

It is not unheard of for massage clients act inappropriately in the massage workplace. Some inappropriate clients acts include:

- *Harassment of Staff getting belligerent with customer service and/or front desk personnel
- *Self-Entitlement Believing that employees should cater to unreasonable demands, often to the employee's detriment (Example: A client may say "Go as deep as you can go. I'm going to make you work for your money today. You can't hurt me.")
- *Disrobing Disrobing while the therapist is in the room, laying undressed on top of sheets and blankets
- *Dressing after Service Staying in the room to take a nap beyond their scheduled time, while therapists wait outside doors, and are rushing to get to their next appointments on time.
- *Ignoring company policies on children, pets, and guests inside the massage room
- *Over-reacting to being asked to sign forms, waivers, provide doctor's notes, and disclose their health information or refusing to do so
- *Overstepping a massage therapists boundaries by touching the therapist before, during, or after treatment
- *Undraping themselves or asking to be undraped during the session



- *Touching themselves inappropriately or gyrating under the draping during the massage session
- *Not advising therapists of injuries, surgeries, or other health conditions, illnesses, or medications

These are just a few of the ways clients may act inappropriately. Therapists typically do not have much recourse when a client acts inappropriately. Neither does front desk staff. Lack of clearly defined workplace policies and boundaries can lead to unhappy employees, bad customer reviews and create a toxic working environment.

Inappropriate Therapist Conduct

Therapist may act inappropriately in the workplace too. Typical inappropriate acts by therapists include:

- *Talking too much during the session
- *Becoming too personal with clients
- *Seeing clients of the business outside the workplace
- *Handing out private phone numbers or private practice business cards to clients
- *Dating a massage client
- *Inappropriate touch or conduct during the session that is sexually suggestive
- *Inappropriate draping during the session, leading to exposure (accidentally or purposefully)
- *Inappropriate pressure during the session (too much or too little)
- *Not listening to the client
- *Not educating the client, not informing client of contraindications, and not informing clients of treatment plans in advance
- *Not recommending rebooking or home care follow up

Toxic Workplace Culture

The workplace culture in a massage business can easily become extremely toxic. There may be competitive issues between therapists who often feel pitted against each other, some therapists feeling like they have to pick up the slack for others who aren't engaging in laundry, extra duties, stocking rooms or cleaning properly. There could be issues between the front desk and the providers caused by problems in booking. There may be problems between managers and staff creating constant friction. Massage therapists may take discipline personally leaving them feeling unheard in the workplace. There may be gossip and cliques and so much more. Sometimes, one unhappy staff member who is vocal in their complaints can cause the workplace to feel hostile or toxic to everyone else. Lack of teamwork may contribute to issues in the workplace. The maturity level of workers can also contribute to issues in the workplace. Discrimination which occurs in the massage workplace can also lead to a toxic culture.



Division between Front & Back

Front desk staff and provider staff are divided, not only physically by walls and doors, but by duties and responsibilities. The front desk staff has a lot of control over the massage therapist's income, based on how they book appointments. They are also in control of the therapist's breaks and the handling of their gratuities. These responsibilities and this control can be source of contention in the workplace.

Favoritism

We know favoritism happens in the massage workplace, though we have no clear figures as to how often. Favoritism can lead to discrimination in the workplace. Favoritism can also lead to therapists that are liked by other employees getting booked more often, while those who are disliked in the workplace get booked less frequently, and for shorter durations, leading to less income potential for the therapist.

Inappropriate Manager and Business Owner Conduct

Mangers and business owners who lose their cool in the workplace, get loud and yell or scream at employees, make demands rather than coach, micromanage rather than allow employees to take responsibility for their jobs, and who create arbitrary rules in the workplace that do not benefit their employees are a huge source of strife in the workplace. Some business owners and mangers look down on providers, talk down to their staff, and do not engage them as equal and important parts of the business, viewing them as costs, rather than investments or assets. Certainly this is not the case in every employment situation, but, it is not unheard of in the massage field.

Low Wages

When massage businesses advertise, they typically talk about their wages in terms of base + tips. Massage therapists may be lured into workplaces on false pretenses this way, then later find out their wages are not what they expected.

Base pay, on average, prior to the pandemic, was about \$25,000.00 annually in the typical massage franchise. This is a typical pay of \$16.00 per hour for a 30-hour work week. The rest of a massage therapist's income comes from tips. While this may be higher than minimum wage, it is not a livable wage anywhere in the country. Wages have remained stagnant for over a decade in the massage field, and businesses increasingly rely on consumers to make up employee pay.

<u>Deductions from Employee's Paychecks for Products & Materials</u>

This is seen most often in the situation of an Independent Contractor (IC) in a massage business. If the business provides the materials and products, typically this is deducted from the payment to the IC. Businesses may have therapists sign an agreement to have these materials and products deducted from



their paycheck, as well as things like credit card fees, and more as part of their employment contract. The legality of this practice is questioned by therapists often and is illegal in some states.

Uncompensated Training and Meeting Time

Many therapists are asked to come in early for their shift, stay late to clean up, report to work for mandatory meetings, and work outside their normal hours for training and practice. Sometimes, massage employers do not pay massage therapists for these activities. This is usually an illegal workplace practice and may be along the lines of Wage Theft. Massage therapists experiencing this at work should speak to an employment attorney for advice.

No Breaks

Scheduled breaks are a point of contention. If a therapist is not booked, oftentimes front desk staff will not schedule in an actual break in the employee's schedule. They will just assume that the therapist will take a break at that time. The therapist may be tasked with other duties such as laundry, cleaning, or stocking during these gaps in their schedule, and may not get an actual break unless it is formally scheduled. Also, scheduling gaps are often over-ridden if a last-minute appointment is booked or an appointment must be moved. In some states, there are no meal or rest period break laws that protect massage therapists on the job.

Tip Credits

Tip credits are a way to include gratuities in minimum wage calculations. They allow an employer to credit a portion of an employee's tips towards the employer's obligation to pay minimum wage. This can happen at massage franchises and in other massage work environments. It allows the employer to use the consumer's tips to make up for minimum wage and employee hourly pay.

Employees are typically paid much less than expected when businesses pay on tip credits. Employees will be told that they either get their hourly pay + tips, or they get their massage pay, whichever is more. This is how tip credits are typically explained to therapists. It is legal in some states, but it leads the massage therapist to question the employer's integrity. Tip credits also allow employers to pay subminimum wages to employees.

Failing to Maintain the Equipment or Facility leading to hazardous workplace conditions

Failure to maintain washers, dryers, and linens could lead to fires in the workplace. Failure to maintain equipment could lead to overheating during a service causing injury to staff or clients. Failure to provide gloves, masks, biohazard kits, and first aid kits in the workplace can lead to bloodborne illness or communicable disease transmission. Uncovered table cords can cause trips. Floors can get slippery, leading to falls and injury. Tables could collapse, hydraulics could malfunction, therapists' feet could get smashed under massage tables, stools could fall apart, roofs could end up leaking, air vents could



become dirty and harbor germs. We have seen it all in the massage workplace. Facility upkeep is imperative.

SUGGESTIONS TO MOVE FORWARD ON THIS ISSUE

- Setting Employer Standards USOLMT has set standards for employers who join our organization. Those who join receive the benefit of being recognized as ethical employers who treat their employees well and provide career-building opportunities.
- Employees working together to improve their own workplaces, coming together on issues that are widely and deeply felt in the workplace.
- Increased teamwork in the massage workplace between all employees.
- Monitoring of company culture and taking care of issues immediately when they arise.
- Consider third-party intervention on discipline and human resource related issues.
- Support the massage therapists right to refuse service if they feel uncomfortable.
- Clear policies on sexual harassment.
- Consistently schedule inspection of the massage workplace to uncover and correct any hazards to the therapist.
- Compensation models which pay therapists for all hours on the clock, with additional pay for massage services, or move toward salaried pay models.
- Moving away from pay structures which deduct from worker's paychecks, and away from variable incomes.
- Raising prices and moving the additional income to massage therapist, helping to regulate the therapist's income, or creating service charges rather than allowing tips in the workplace.
- Repealing tip credit pay and sub-minimum wage payments in all states in which this practice is allowed.
- More oversight and double-checking of payroll to ensure therapists are paid accurately and on time.
- Business could consider providing an attorney as a benefit to therapists who have been accused
 inappropriate acts in the workplace. If it is company policy to place a therapist on leave, to
 place them on paid leave during investigations, with the assumption that the therapist is
 innocent until proven guilty and due process is served.
- Better booking training for front desk staff and consequences if favoritism or gossip happens in the workplace.
- Cross-Training massage therapists to work the front desk, and to work closely with managers
 and front desk staff during this training, engaging in typical workdays to build relationships,
 understand the job, and promote unity among staff.
- Clear conduct rules and consequences for clients who break the rules.
- Clear conduct rules and consequences for therapists who break the rules if proven.



- Peer-Evaluation rather than mystery-shopper evaluation in the workplace. Mystery shoppers should be experienced massage therapists, non-biased, and not associated with the workplace in any way, and who have not received any information about the therapist.
- Business manager and owner training in Ethical Business Practices.
- Business manager and owner training in knowing and watching for signs of sexual harassment, prostitution in the workplace, grooming in the workplace, favoritism, burnout, and writing clear policies and consequences to address these issues.
- Moving away from business models that create the engaged to wait or waiting to be engaged scenario. The salary model solves this problem. By paying a salary, your employee can either leave when they are not booked, and only come in for appointments, or they can engage in other activities that include managing and maintaining the workplace. They can work as many hours as needed when you are busy and less hours when you are not busy, without it affecting their pay. Flexibility and stability can be gained with salaried business models.

IN SUMMARY

There are numerous scenarios that can happen causing issues in the massage therapist's workplace. In many cases, it is not the business owner's fault. The business owner has usually put in a substantial investment to make their business work. Sometimes the age of the business is a factor, as new business cannot offer typically the same working conditions and do not always have high cashflow up front. These businesses may improve over time. Sometimes, however, it is poor management or ownership of the business. This is where USOLMT is most concerned.

We believe that these employers should be held accountable to the law. Employers should involve their staff more in decision-making, get inside the treatment room to learn from their staff, experience what a massage therapist goes through daily, and what their clients go through, so they can learn to relate to massage providers better.

USOLMT'S ROLE

- To set standards for LMT-Owned businesses that join our organization
- To connect members with ethical employers that join our organization
- To connect ethical employers with our members and market them as employers of choice
- To provide training on workplace issues
- To provide training on leadership in the workplace
- To provide training for front desk and supervisory staff through our workplace training
- To advocate for laws which empower workers who may be suffering in unethical workplaces



- To provide direct advocacy for workers whose employers break the law. This may include directing these employees to the proper agencies for reporting, providing information on attorneys in their local area, or simply listening and talking the employee through the issue.
- To empower massage workers to move collectively to solve problems in their workplaces proactively before issues get out of control.