

Starting a Fitness Business

Sheldon R.K. Persad, CSCS, CPTN-CPT
Susan S. Lee, MPE, CPTN-CPT



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Human Kinetics

Web site: www.HumanKinetics.com

United States: Human Kinetics, P.O. Box 5076, Champaign, IL 61825-5076
800-747-4457
e-mail: humank@hkusa.com


Canada: Human Kinetics, 475 Devonshire Road Unit 100, Windsor, ON N8Y 2L5
800-465-7301 (in Canada only)
e-mail: orders@hkcanada.com

Europe: Human Kinetics, 107 Bradford Road, Stanningley, Leeds LS28 6AT, United Kingdom
+44 (0) 113 255 5665
e-mail: hk@hkeurope.com

Australia: Human Kinetics, 57A Price Avenue, Lower Mitcham, South Australia 5062
08 8277 1555
e-mail: liaw@hkaustralia.com

New Zealand: Human Kinetics, Division of Sports Distributors NZ Ltd., P.O. Box 300 226 Albany, North Shore City, Auckland
0064 9 448 1207
e-mail: info@humankinetics.co.nz

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Introduction

Many people dream of owning their own business. If you have been thinking about starting your own fitness business, the right time to do so is now. This student text highlights the current trends in the fitness industry and the roles of the fitness professional in the areas of group fitness, personal training, and club ownership. It will prepare you to think about the different aspects of starting your own fitness business.

You will gain insight into the importance of creating a mission statement that will help you develop the vision for your fitness business. You will also learn about the different aspects of preparing to start a business, such as a market analysis, business structures, marketing plans, financial plans, liability management, and facility design. To improve your ability to provide services to your clients and manage your business, you will learn about program planning, hiring and supervising staff, staff management, organizational skills, and commitment. If you are committed to your business and to the fitness industry, you will also want to look ahead and learn about expansion.

Business expansion requires time for reflection and planning. A thorough review of your successes, your mission statement, and your goals will help you determine how satisfied you are with your business and how you would like to see it grow. You can expand your business in different ways—you can expand your program offerings, your staffing, your equipment, or your facility.

This student text is used in conjunction with the *Starting a Fitness Business* online course. As you go through each chapter, you will have the opportunity to apply the concepts with virtual fitness professionals from the personal training, group fitness, and club owner or manager categories. To assess your learning along the way, you will also be given multiple-choice questions.

The growth of the fitness industry will undoubtedly continue. The fitness industry will provide you with opportunities to discover yourself as a leader and allow you to put your unique mark on the industry. As a fitness business owner, you will have an incredible potential to positively affect the quality of life of all your clients and to contribute to a healthier community.

CHAPTER ONE

Fitness Industry Trends and the Entrepreneur

Fitness professionals and enthusiasts contribute to the growth in the fitness industry by becoming entrepreneurs, managers, and club owners. This move into the fitness business is a natural extension of their passion for fitness and health. Many fitness enthusiasts have experienced the benefits of fitness and thus have become professionals within the industry. After becoming a fitness professional in the form of a group fitness instructor, personal trainer, or club manager, many have the desire to strike it out on their own: to start their own business. You may be one of these new business owners. This text will be your guide for success.

In this chapter, you will

- read about societal trends and trends in the fitness industry;
- analyze your skills relative to the roles of the fitness professional in the areas of group fitness, personal training, and club ownership; and
- assess where you are today and where you want to be in the future with your business.

There is no doubt that the fitness industry is here to stay. The fitness industry will provide you with leadership opportunities and allow you to put your unique mark on fitness. You will have an incredible opportunity to positively influence the quality of life of all your clients and to contribute to a healthier community.

The health and fitness industry has experienced tremendous growth over the past 50 years. Fitness clubs now number over 22,000 with 36.3 million clients world-wide and an industry generating over C\$15.3 billion (US\$13.1 billion) in revenue (IHRSA 2004). With an increase in the awareness of the health benefits of physical activity, government reports on health and fitness, and favorable demographics, the fitness industry is expected to reach 50 million clients by 2010 (IHRSA 2003c).

Although the number of fitness club clients seems relatively large, less than one third of the population is physically active. Seven out of 10 adults are not physically active enough to enjoy the benefits of an active lifestyle; 40% of adults do not participate in any physical activity at all (CDC 2004c).

The health benefits of physical activity include preventative measures against coronary heart disease, hypertension, osteoporosis, colon cancer, diabetes, depression, arthritis, and obesity. The Surgeon General's Report on Physical Activity and Health (NCCDPHP 2005; Ryan 1996) urged people to participate in 30 minutes of moderate exercise on all or most days of the week to achieve health benefits.

Athletes are more competitive, dominant, self-confident, achievement oriented, psychologically well-adjusted, and have higher levels of self-esteem than people who are nonathletes (Klavora 2004). Therefore, people should be encouraged to start physical activity as early as possible. Children and youth who participate in physical activity have a better sense of well-being and greater self-esteem, self-concept, and confidence (Klavora 2004).

With the prevailing concern over the rising levels of overweight people and obesity for all age groups, a subsequent report was released: The Surgeon General's Call to Action to Prevent and Decrease Overweight and Obesity (NCCDPHP 2005). This report indicated that 64% of adults are either in the overweight or obese category.

About 15% of children and adolescents are overweight according to the age-related BMI (CDC 2004b). The number of obese adults has doubled since the 1980s, while overweight levels have tripled in adolescents.

There is an urgent need and a call to action for all professionals to take a step toward helping people become more physically active and, in turn, to help in reducing the health issues of the 21st century. As a fitness entrepreneur, you have much work ahead, and you can make a difference by creating and delivering a service that can enhance a person's health and well-being.

SOCIETAL TRENDS

Analyzing societal and fitness trends is an important step in starting your business. We'll look at the societal trends related to demographics, the obesity epidemic, and a sedentary population. We will also look at the role that medical research and media coverage of health and fitness can play in your fitness business. Then, we'll turn our attention to trends in the fitness industry. Knowing that there is ample demand for your future services is reassuring and comforting. You can be confident that you are investing your time, energy, and money in the right industry.

Demographics

Baby boomers, people born between 1949 and 1963, represent one third of the North American population. Statistics show that there is a growing number of aging baby boomers. Adults between the ages of 50 and 64 control 45% of North America's wealth, and many have above average household incomes. With the aging population comes a growing concern about looking healthy and feeling good. In fact, people in this age group spend 40% more than the national average on health and personal care products (Davies 2003; Scudder 2002; Foot and Stoffman 1996).

While the marketing efforts of many companies have been dedicated to the needs of the baby boomers, younger adults are also becoming the target of marketing and sales campaigns. Members of generation X (people born between 1964 and 1977) and generation Y (people born between 1978 and 1994, also referred to as millennials or echo boomers) are part of the 18- to 34-year-old age group that can be found in fitness clubs. Currently, the 35- to 55-year-old age group represents 36% of the fitness club population, while the 18- to 34-year-olds represent 34% (IHRSA 2003b).

As a fitness entrepreneur, you'll need to cater to the health-conscious baby boomer by programming those activities associated with slowing or managing the aging process. You may also need to think creatively in designing what's fun and what's cool for the generation X and Y clientele to encourage an active lifestyle.

Obesity Epidemic

You can position your fitness business toward servicing all ages—adults, youth, and children. If you choose to specialize in the area of weight management, you can build a business with an enormous growth potential based on the current statistics on obesity.

North American trends show a growing sector of overweight and obese adults and children, with children being the faster-growing segment of the obese population (CDC 2004c;

Tremblay, Katzmark, and Willms 2002). The situation is particularly troubling because the statistics show that overweight children and adolescents often become overweight adults.

General epidemiological studies have not identified the causes for this trend yet, but leisure time activities such as watching television, surfing the Internet, and playing video or computer games are potential culprits contributing to the increase in physical inactivity in children and youth. Another possible contributing factor is the loss of physical education hours in schools.

You can be the catalyst for behavioral change by designing fun and motivating activities. Since overweight and obesity issues are also closely tied to proper nutrition, you can add a nutrition component to your menu of services. Nutrition coaching services may be something you would like to offer your clients. If you are not qualified to work in this particular discipline, you can build a referral network to include a registered dietitian or hire your local registered dietitian.

Sedentary Population

You can help many people learn about the benefits of an active lifestyle. Although there is a great deal of information about the amount of exercise required for healthy living, many people just aren't sure where to begin. Your skills as a fitness professional can be used to help people transform the thought of an active lifestyle into an action plan based on the necessary steps to make it happen.

Physical activity recommendations have moved away from a prescriptive approach of citing the number of workouts per week performed at a certain intensity based on your maximal heart rate to allow for a more moderate approach. This more inclusive approach is intended to encourage more participants to become active. For those participants who are already active, you would want to stay with a prescriptive approach so that they can exercise more frequently and at higher intensities in order to make greater gains in health, fitness, and performance.

Moderate physical activity, such as 30 minutes of brisk walking on most days of the week, is the "active living" approach. The active living approach targets the physically inactive. While 7 out of 10 adults are inactive, the lack of physical activity during leisure time is higher among people who are less educated and in lower socioeconomic statuses, older adults, and the younger population. Nearly half (48%) of high school students do not take physical education classes (CDC 2004c). Without learning the benefits and skills in physical education, high school students will carry their sedentary lifestyles into adulthood. The cycle needs to be broken to stop this population of sedentary individuals from growing.

Government agencies and organizations have translated many research results and policy statements into healthy guidelines and information fact sheets designed to increase active living within the general population. The American College of Sports Medicine (ACSM) and the Canadian Society for Exercise Physiology (CSEP) both provide position statements for exercise guidelines.

You can conduct walking, fitness, and strength-training seminars and events to attract sedentary adults and youth. This is a good way to teach the benefits of active living and to share strategies for change. For example, you can conduct walking programs and lunch-and-learn seminars within organizations or community centers.

Analyzing societal trends should help you understand which population to target with your fitness business. You will know what kinds of services and programs to offer. Knowing whom to target and how to serve that audience will help you create a fitness business that is grounded in reality. Details of target groups will be explored in the next chapter.

MEDICAL RESEARCH

You can use current medical research as a business advantage. Using current medical research allows you to position your services and programs as solutions to problems faced by your potential markets. Medical research results enable you to design more effective

exercise programs. According to the National Center for Chronic Disease and Health Promotion (CDC 2004a; CDC 2004c), the leading causes of death can be traced to tobacco use or poor diet and physical inactivity: 435,000 deaths (18.1%) are caused by tobacco, while 400,000 deaths (16.6%) are caused by poor diet and physical inactivity.

Other research studies point to the preventative role of physical activity for numerous health conditions, including heart disease, diabetes, osteoporosis, and obesity. Regular physical activity can also play a key role in the management of these chronic conditions following medical diagnosis. Weight-bearing exercise is promoted for the prevention and treatment of osteoporosis, especially with the controversy and potential risks of hormone replacement therapy (HRT) (Evenson 2002; Nelson et al. 2002). Adult onset or type 2 diabetes can be prevented and managed with regular exercise.

Remember to inform your clients that it's never too late to start exercising. Many research studies have shown that physical activity can decrease some of the effects that were once thought to be part of the normal aging process. This process, or more specifically, the results of a lifetime (or a long period) of inactivity, can be reversed. Regular exercise for older adults can improve cardiovascular fitness, reduce muscle loss, improve balance, enhance range of motion, and increase gait speed.

You can take the initiative to share the results of leading edge research studies with your clients. Apply these ideas to new and current programs and promotions. Your current and potential clients will seek your professional advice to help sort through the plethora of media coverage of health and fitness topics that is available on a daily basis and targeted to the general consumer.

MEDIA COVERAGE

Mass media—whether it is radio, television, newspaper, or the Internet—can generate a lot of interest in the world of fitness, including group fitness, personal training, and clubs. Heightened awareness of the benefits of physical activity can go a long way toward creating local interest and potentially clients for your services. The release of the Surgeon General's Report on Physical Activity and Health, the Surgeon General's Call to Action to Prevent and Decrease Overweight and Obesity, and other new research has provided substantial background material and recommendations for the media to spread the word on the health benefits of moderate physical activity. Newspapers, magazines, radio, and television have distributed the message on the obesity epidemic, including statistics, potential causes, and recommendations.

As a fitness entrepreneur, you can ride the wave of the social marketing campaigns that are coming through the media. These campaigns are designed to influence the behavior of the various target audiences to improve their personal health and social welfare. Riding the wave of these campaigns helps to cut back on your marketing costs, so why not work smarter, not harder? The VERB: It's What You Do campaign (CDC 2004c) is designed to target the "tweens" set (9- to 13-year-olds) and encourage them to get physically active through resources, ideas, and a Web site. The Active Living campaigns (Health Canada 2004) are targeted toward adults, older people, children, and youth; these programs include colorful handouts and posters disseminated through partners such as the medical community, school settings, and fitness facilities.

All of these societal trends, including demographic trends, the obesity epidemic, and a sedentary population, point to the need for greater physical activity for all age groups. Medical research continues to provide evidence of the health and wellness benefits of physical activity. With an eye toward providing services for all of these different needs, fitness professionals have developed a variety of programs to attract participants, motivate clients, and add a "fun" factor for physical activity. The following fitness trends highlight some of the more popular activities that are being offered around the world to attract new participants into fitness clubs and to get people to participate in personal and group training services. Marketing is discussed in the next chapter.

FITNESS TRENDS AND STRATEGIES

Let's take a look at the top fitness trends. These trends represent the success stories within the industry and indicate programs that work. The industry also strives to establish best practices. Best practices become evident when a number of clubs or companies offer similar programs and when those programs work by servicing the needs and interests of the target market. The following trends highlight the best practices around the world (Ryan 2004a; McCarthy 2004; Lofshult 2002):

- Personal training
- Fitness assessment and consultations
- Strength training
- Stretching and flexibility programs
- Mind–body programs
- Core conditioning and stability ball classes
- Group fitness classes
- Nutrition and lifestyle coaching
- Older adult classes and services
- Fitness equipment

Let's now look at each of these in more detail.

Personal Training

Personal training is a profit stream that generates additional income for new and thriving fitness clubs. Private sessions are still the staple of many personal training services, while semiprivate and small-group (three to five persons) sessions have been rising in popularity (Ryan 2004b). With small-group training, trainers can generate a greater fee per session while the client will pay substantially lower rates than for private sessions. The general public, particularly new exercisers, may seek a personal trainer when affordability is less of an issue. Personal trainers are working in clubs, studios, homes, corporate and clinical settings, online, through phone coaching, in camps, and with special populations in unique settings. Boutique- or studio-style clubs focus on personalized attention and are the latest addition to the fitness club scene (Ryan 2004a; Dickson 2003). Boutique clubs are more manageable in size, with a mean area of 1,500 square feet (139.3 square meters), relative to larger fitness clubs that run an average of 25,000 square feet (2,322.5 square meters) for commercial fitness facilities (Grantham et al. 1998). As a new fitness entrepreneur, you can probably imagine the difference in rent and overhead for the boutique club versus the larger club. The larger club may not be an immediate option unless you have a large amount of capital funds or investors to work with.

Fitness Assessments and Consultations

Fitness assessments and consultations continue to be offered in fitness facilities. You must know the goals of the client as well as his or her baseline fitness level when designing an exercise program for that client or to effectively direct the person to the right program. Regular exercise can bring about positive changes to improve cardiovascular fitness, muscular strength and endurance, flexibility, and body composition. For clients, the objective data can provide the needed motivation to maintain a regular exercise routine. From a business vantage point, a client with a high body mass index (BMI) can be informed about how long it would take to reach a healthy BMI. This could translate into weeks of training, membership sales, or participation in fitness classes.

Strength Training

Strength training equipment, including resistance bands, weighted bars, and pulley machines, is popular in clubs for both individual and group training. Group strength training is now gaining in popularity. This training can be done with or without music. Group strength training to music often takes place in the group fitness studio, while group strength training without music is held in the strength area. Personal trainers are not necessarily skilled or experienced in leading groups and therefore should consider additional training or certification regarding safety and other issues pertaining to leading effective group sessions. (We discuss various kinds of certifications later.)

Stretching and Flexibility Programs

Stretching programs complement the popular group fitness classes and the group strength training programs to help ensure that the client maintains a balance in all the fitness components. These classes may be of a general nature or can be varied with the integration of tai chi, yoga, or facilitated stretching elements.

Mind–Body Programs

There is a growing interest in mind–body programs, which include Pilates, yoga, tai chi, and neuromuscular integrative actions (NIA). Women account for 90% of the participants in Pilates classes and 83% of the participants in combined programs of yoga and tai chi (IHRSA 2003a). Although these mind–body exercises are appealing for all age groups, they are especially appropriate for the 50-plus market. Older adults are looking for a gentler and balanced approach to manage the stresses of everyday living and to strengthen the mind–body connection, allowing the body to get fit while the mind stays in shape (Merrithew and Merrithew 2004). NIA is a newcomer to the fitness scene. It fuses many forms spanning dance, martial arts, and the healing arts. It is an aerobic workout (performed barefoot) that allows you to strengthen the mind–body connection, as well as the spirit, through music, imagery, and vocalization with influences drawn from jazz, modern, Duncan dance, tai chi, taekwondo, aikido, yoga, Feldenkrais, and the Alexander technique (Batura 2004).

Core Conditioning and Stability Ball Classes

Back injuries occur among 80% of the population over a lifetime, and most are preventable (Kraus 2004). A stronger set of abdominal and back muscles can help prevent many back injuries and improve postural alignment. Sedentary leisure activities and work days contribute to the deconditioning of the core muscles. Fitness entrepreneurs can help their clients maintain healthy abs and backs by offering core conditioning classes with or without apparatus. The introduction of the therapy ball or dome-shaped equipment has been a novel approach to core stabilization to augment or replace the traditional abdominal crunch.

Group Fitness Classes

What were traditionally called “aerobics”—and are now referred to as group fitness classes—have grown over the last three decades to include more innovative programs. Strength training and mind–body programs, which are the rising stars of the fitness industry, can be incorporated into group fitness programming.

Group fitness classes are experiencing a change. Class schedules that have had variations of impact and step classes as part of the regular programs are now being replaced with hybrid or fusion classes. Hybrid classes can be a combination of two different types of training, such as a step segment followed by core conditioning or a low-impact class combined with a yoga segment. These hybrid classes can attract time-conscious individuals who cannot find time to attend distinct classes at various locations or separate classes at the same location.

Music can play a key role in helping you attract and maintain clients. You will need to pair the appropriate class and music to be able to service the different demographics of your clientele. New Age music played in your core conditioning class would be more suitable to the baby boomers, while a hip-hop beat would be more suited for the stylized low-impact dance class for the generation Y set. To get your clients involved, you can even solicit musical suggestions from your group fitness classes.

Nutrition and Lifestyle Coaching

Nutrition, along with physical inactivity, has been identified as a key factor in the rise in obesity and overweight people over the decades. The combination of a nutrition and physical activity strategy can lead to better results for clients. Fitness entrepreneurs can add nutrition coaching to their services. Nutrition coaching is not a diet plan. It is more about looking at small behavioral changes that can be implemented and that will incrementally add up to greater results over time. Nutrition coaching can be offered as an in-person consultation or via phone or e-mail.

Warning

A client requiring a personalized diet plan should seek out the services of a registered dietitian. Alternatively, you can bring in a registered dietitian as part of your referral network or hire one for your facility.

Older Adult Classes and Services

The baby boomers value their health and will budget the financial resources to take care of themselves. Older adult classes need to focus on all of the fitness components of cardio-respiratory conditioning, strength training, and flexibility gains, along with core conditioning, postural realignment, balance, and coordination. Add to this the social atmosphere of group fitness classes and you will gain a high retention rate. Older adults are also the driving force behind the growth in personal training. Although the social atmosphere may work well for some, others will want more individualized programs either in a fitness club facility, or even more personalized, within a home setting. Your initial consultation can include nutrition or lifestyle coaching along with the recommendations on how to structure regular physical activity.

Fitness Equipment

Many programs incorporate equipment to enhance group and individual workouts. Equipment can be found in a broad range of facilities, including multipurpose clubs; fitness-only health clubs; personal training studios; YMCA, YWCA, and JCC facilities; college, university, and corporate fitness centers; group exercise studios; hospital fitness centers; and parks and recreation programs. Ryan (2004a) provides a list of the most frequently used equipment:

- Resistance tubing and bands
- Barbells and dumbbells
- Stability balls
- Steps and platforms
- Treadmills
- Upright cycles

- Elliptical trainers
- Yoga mats and equipment
- Weighted bars
- Pulley equipment

The greatest change has been in the increased use of stability balls, weighted bars, elliptical trainers, indoor cycles, and pulley equipment.

This discussion of the top trends should help you see that there are numerous growth areas within the fitness industry. Some of these are the direct result of the societal trends we discussed earlier. It is up to you to look at the fitness trends and determine which ones appeal to you. You can then choose the most appropriate services to address the needs of your potential clients. Understanding current trends and providing fitness programming that meets the needs of your clients will make you a surefire success. When we think about successful businesses, it is clear that the entrepreneurs behind them have similar characteristics. Let's take a few minutes to review the characteristics of successful entrepreneurs and then look at how these fit in with the roles and responsibilities of the fitness entrepreneur.

CHARACTERISTICS FOR SUCCESS

As a fitness entrepreneur, you need to know the characteristics that are required for success. Since the modern fitness industry began, there have been many successful fitness entrepreneurs. Reviewing the best strategies and ideas in the industry will save you time and money. You'll avoid reinventing the wheel when it comes to starting your own business. By assimilating the ideas that you accumulate from your readings, workshops, and experts as you start planning for your business, you can avoid the mistakes of your predecessors. As a result, you can reach your business goals more quickly. Let's look at some general factors for success.

A study of entrepreneurs (Bank of Montreal 1995) found that critical characteristics were linked to business success. These include

- self-motivation,
- solid business and industry knowledge,
- good organizational skills,
- good marketing skills,
- a customer-focused approach, and
- vision.

Business and industry knowledge is key to success in the early stages of starting a new business. In this developmental phase, self-motivation and good organizational skills are also necessary. When you are ready for clients, you will need to market to people who are potential clients, and you must be able to provide excellent service. For expansion, you need a clear vision and the ability to communicate this vision to your staff, and you must stay motivated and committed to your business plan.

To effectively manage your business on a daily basis, you will need to sharpen your skills in the areas of

- financial management,
- planning and goal setting,
- problem solving,
- time management, and
- business and industry knowledge.

The Bank of Montreal study shows that entrepreneurs who are particularly focused on financial management will be more successful than those who place financial management as a low priority. The entrepreneurs who had strong financial acumen had four times the assets, double the sales, and triple the profit while employing one third more employees than entrepreneurs without this characteristic. This efficiency profile shows that as you venture into the fitness industry and as you become more experienced as a business owner, you must also keep an eye on monetary aspects to ensure a healthy profit for all of the hard work and effort that you devote to your new company.

As you begin formulating plans for your fitness business, you must be aware of your roles and responsibilities. These roles include

- educator,
- mentor,
- student, and
- manager.

Let's take a look at the requirements associated with each of these roles.

Educator

Requirements: Ability to communicate and listen, ability to synthesize information, ability to discern individual learning styles, understanding, patience, and flexibility

As an educator, you will often be guiding a fitness neophyte. You will provide your clients with the appropriate information, techniques, and rationale to move from beginner levels to regular exercisers. Often this journey is smooth, but it may not be when clients lose the momentum of regular exercise because of interruptions from work commitments, personal responsibilities, and holiday breaks. You will be there with an empathetic ear to encourage your client to get back on track. Knowing about exercise is not enough. Knowledge applied effectively will take your client on a journey of short-term results as well as long-term benefits.

Mentor

Requirements: Ability to elicit interest, ability to lead by example, and ability to understand individual needs

You will serve as mentor for clients and staff. You can be a role model of a healthy lifestyle. When you live the lifestyle you are teaching, this can be motivating for clients. You may not always be in the same life stage or have the same fitness goals as your client, but your ability to cater your service to the needs of your client will ensure that he or she will come back for your services.

When you start hiring staff, you will also need to mentor them to grow as professionals. You will share your experiences with them through the way you interact with clients and other staff. You will also need to give staff members feedback on how to work within the customer service standards for your business. Taking care of your staff is a key factor in building loyalty and commitment to your business.

Student

Requirements: Ability to seek new knowledge, ability to ask questions, and an understanding of one's own strengths and weaknesses

You must choose lifelong learning as part of your commitment to this dynamic industry. If your goals include a commitment to delivering the best service possible to your clients, you must have the most current tools and strategies. Gather a list of resources and revise it regularly; build and maintain your fitness library of reputable journals and books; bookmark your favorite fitness-related Web sites; spend time in the library; and network with colleagues and professionals in related fields. Make learning a part of your fitness career.

Manager

Requirements: Ability to delegate responsibilities, ability to provide constructive feedback, and ability to develop a business

When you are ready to expand your business, you need to have delegation and management skills. The approach to this can be twofold: hire by task or hire for expertise.

For example, you need to mail thousands of flyers announcing a new program. This type of task could be delegated to staff or a contractor. The test is to ask yourself, Is this the best use of my time and expertise? If this is a regular task, you may choose to hire a subcontractor specializing in direct mail campaigns. Expanding your business will require you to assess which tasks are becoming too time consuming for you to handle alone. This type of assessment helps you determine how to hire by task. Delegating time-consuming tasks to employees or subcontractors frees you to devote more time to marketing, networking, and strategic planning.

What about hiring for expertise? The decision to expand your business also presents you with an opportunity to assess your own strengths and weaknesses. You may want to hire an expert whose strengths complement your weaknesses. For example, you may be an excellent fitness instructor, but you may require some help with your business plan. Hiring an expert in the field of accounting may be the best use of your funds as you expand your business.

Whether you hire for task or for expertise, your employees will need feedback—constructive feedback. If you view your employees as assets to your fitness business, you will want to focus on providing feedback on a regular basis. This feedback should be specific, goal oriented, and nonthreatening. You will want to use feedback to help your employees improve job performance and to build an understanding of the goal you all share: providing the best quality service for your clients.

While you gradually gain the skills of a human resource manager, you'll start balancing a person's strengths with the appropriate job description. You may even find yourself delegating more work and using your time to pursue your own professional development.

A manager must be familiar with not only how to provide a quality program, but also how to ensure that the program is well funded and that these funds are effectively allocated. Chapters 2, 3, and 4 will provide ideas on how to market, how to manage funds, and how to develop additional revenue streams.

Education, mentoring, learning, and managing and all of their related roles are all part of your responsibilities as you become acquainted with the job description of a fitness entrepreneur. As a fitness entrepreneur, you need to keep track of developments in this dynamic industry.

TRADEMARKS OF FITNESS PROFESSIONALS

You need to be aware of the trends that lend themselves to client retention as well as affect the whole face of the fitness industry. Over the years, high-impact aerobics has given way to mixed-impact hybrid classes. Personal training has had a group training dimension added to it. Multipurpose clubs are giving way to boutique-style clubs focused on personalized attention. Small franchised fitness centers focus on the fast, efficient workouts. All of these changes make it more important than ever for the fitness entrepreneur to understand the requirements of this industry. Let's take a look at the trademarks of fitness professionals. These include certification and professionalism.

Certification

Requirements: Initial education and certification, continuing education

One of the best ways to keep yourself current in the field is to become certified by a professional organization and then maintain that certification. Professional certification is your public declaration that you have met the standards required for your particular area of expertise. Recertification is readily accessible and is often provided by the certifying agen-

cies in the form of short workshops, multiple-day conferences, and distance education provided through printed materials and online courses.

Professionalism

Requirements: High standards of ethical conduct, respect for others, understanding your roles

Professionalism encompasses a couple of key areas, such as knowing your scope of practice and building a referral network. You must understand your scope of practice as a fitness professional. For example, you are not a medical professional and should steer clear of diagnosing any health conditions.

Being a professional also means that you know your strengths and you know when it is time to refer a client to another professional, such as a specialty trainer, a registered dietitian, or a health professional.

When you are offering your services, be clear about what you can deliver. Then deliver what you promise. This would mean meeting clients and classes at the scheduled time, finishing in a timely manner, and providing changes for progressions when necessary. All materials that you transmit should be professional in nature (well written, free of typographical errors, and authentic) and a true reflection of who you are and what you have to offer.

This discussion of the trademarks of fitness professionals should have given you a good understanding of what it means to be a fitness professional. We've spent some time talking about starting your new fitness business. You may start small, but you won't be working alone. What kind of fitness professionals will you need to hire to meet the needs of your clients? We'll look at some of the key roles and the technical and communication skills associated with these roles.

CONTEMPORARY ROLES WITHIN THE FITNESS INDUSTRY

Your staff may include group fitness instructors, personal trainers, and even club managers. You may want to establish career pathways for your staff to progress from one role to the next. Let's take a look at each of these roles.

Group Fitness Instructor

Group fitness instructors have been delivering their services as part of the fitness industry for more than three decades. Group exercise, done to music, has been a motivating way to draw large participation rates at fitness clubs and in community settings. Group fitness instructors could specialize in older adults, classes inspired by martial arts, cycling, strength conditioning, water, and a multitude of other types of classes.

A group fitness instructor with strong technical and communication skills might choose to work as an employee in a fitness club, work as a subcontractor, or set up a group fitness studio.

Most clubs now have set a standard of hiring persons with a quality certification and training in first aid and CPR. You should use due diligence in your screening process to make sure you hire the most qualified staff for your business. Certified candidates are one big step in ensuring that you have qualified staff to help you build your business, provide customer service, and retain your clients.

What types of technical knowledge should you be looking for when hiring a group fitness instructor? You will want a group fitness instructor who

- understands and implements screening techniques to identify clients who are at risk;
- programs a well-balanced exercise class to include warm-up, cardiovascular training, muscle conditioning, and flexibility training;

- provides modifications for an exercise class in order to provide options for intensity levels (such as beginner, intermediate, and advanced) and safety issues (such as body alignment, rate of progression, and shock absorption);
- monitors clients' exercise intensity levels within the group fitness class;
- identifies muscle groups that are being trained;
- demonstrates a basic knowledge of anatomy and exercise physiology;
- provides general information on the current recommendations on exercise and nutrition;
- has a repertoire of group training skills such as low impact, step, muscle conditioning, stretch, and some specialty skills, which could include Pilates, yoga, and sport-specific training; and
- uses music appropriate for group exercise (music of suitable speed for the chosen activity, moving to the beat and phrase).

What kinds of communication skills should you be looking for when hiring a group fitness instructor? This instructor will need to have strong verbal and nonverbal communication skills. The group fitness instructor must have a professional presence when working with groups, but he or she will also need to have good interpersonal skills for one-on-one sessions with clients. Here are the communication skills that are required:

- Strong verbal skills to cue movements in class
- Strong nonverbal skills to cue movements in class
- An awareness of being a role model for proper exercise alignment
- The ability to provide group feedback
- The ability to motivate a group class
- Strong interpersonal skills to interact with participants before and after class

Personal Trainer

When you're ready for your business to grow into a multiple-trainer business, you want to hire personal trainers who are certified, have strong technical skills, and have excellent interpersonal skills.

What types of technical knowledge should you be looking for when hiring a personal trainer for your fitness business? You'll want a personal trainer who

- applies the theory of fitness training including the components of cardiovascular endurance, muscular strength, muscular endurance, flexibility, and body composition;
- establishes baseline data for clients using the appropriate assessment tools;
- designs exercise programs for general fitness, weight management, strength, post-rehabilitation, and sport-specific training;
- develops an inventory of exercise techniques and strategies for program progression and variety;
- teaches, demonstrates, and provides feedback on common exercise equipment such as tubing, bands, free weights, fixed weights, selectorized weight machines, plate-loaded machines, stability ball, and so on; and
- provides modifications for clients of varying fitness levels and different physical abilities.

What kinds of communication skills should you be looking for when hiring a personal trainer for your fitness business? You'll want a personal trainer who has strong verbal and written communication skills, including the following:

- Listening skills to establish needs, interests, and goals of clients
- Consulting skills to provide options, choices, and direction for lifestyle change
- The ability to prepare fitness reports for clients and reports for medical professionals
- The ability to demonstrate equipment
- The ability to detect client performance errors and provide valuable feedback for change and technique improvement

Club Owner or Manager

A club owner may come with skills that have been polished as a group fitness leader or as a personal trainer. You may envision yourself running the show as the club owner, or you may want to hire a club manager. The decision you make will depend on your skills and financial resources. You can use the following descriptions to evaluate your own skills as the club owner or manager, or you can use them to identify the technical skills that you will need to look for when hiring a club manager. A club owner or manager must be able to

- define and understand the needs of your target market,
- schedule programs for your target market,
- analyze and purchase suitable equipment for your target market, and
- hire the appropriate staff to meet the needs of your target market.

What kinds of communication skills does a club owner or manager need to have? A club owner or manager must have strong verbal and written communication skills, including the following:

- Empathy and responsiveness to clients' needs
- The ability to listen and provide constructive feedback for staff
- The ability to communicate with suppliers, contractors, and industry colleagues
- The ability to project a positive attitude and a passion for the industry

Now you have an overview of the roles of the personal trainer, fitness instructor, and club owner or manager. You should now realize that there are many technical skills and a great deal of knowledge to acquire if you want to become a successful entrepreneur. When you plan for your fitness business, it is similar to building a sports team. Who is the best person that you can recruit for the available position? What skills are required? What training will be required to build your individuals into a winning team?

In this sports team scenario, each person has a position to play. A common characteristic of each team member must be to know the role of, act like, and talk like a team of winners. In the fitness industry, you must know the part, act the part, and talk the part to become the ultimate fitness entrepreneur.

BEING THE ULTIMATE FITNESS ENTREPRENEUR

For a novice entrepreneur, business procedures may or may not be clear. Materials may not always have the right words or images. You may find that you conduct your business haphazardly. In contrast, an established business has a consistent message, image, and standards. While entrepreneurs may vary in the services and programs that they offer, the successful ones, just like the winning players, will know the role of, act like, and talk like a seasoned pro. You can avoid the pitfalls that others have experienced by following these tips to allow you to go full speed ahead with your business.

Know the Part

The successful fitness entrepreneur is expected to deliver results. You'll need to have the tools of the trade: currency, certification, and professional activity.

Make a habit of regularly reading about current research in the areas of exercise physiology, anatomy, exercise technique, nutrition, communication, counseling, motivation, and behavior modification. For example, the Human Kinetics Web site offers journals and books on these topics.

Degrees, diplomas, and certifications are necessary to establish your knowledge base and credibility in the marketplace. Highlight these in your advertising brochures and business literature or resume. For example, many small businesses reflect the strengths of the owner. If you are the winner of a national road race, runners may be attracted to become clients at your club.

Professional development through workshops, conferences, and organizational memberships can enhance your ability to design safe and progressive exercise programs. Complement your professional development activities by highlighting your practical experience and personal accomplishments. If you are a national-level athlete or have hobbies in golf or running, highlight your accomplishments and interests in these areas. Share your personal commitment to the fitness industry and how you live the active lifestyle as a role model. These interests may provide the opening line that you will need when you first meet a client. A common interest can help a client feel more comfortable with you and your services. Getting to that comfort level is a skill that can be channeled into any professional relationship; it's called rapport. If all things are equal in terms of services offered and certifications completed, the decision to contract your services or join your club will come down to the rapport established when you first meet the client. Rapport will also be the invisible glue that will help you retain a client for years to come.

Act the Part

We all know that first impressions can help establish or diminish our credibility. Those first impressions are based on how we look and how we act. Depending on the setting in which you are meeting the client, it may be appropriate for you to wear a tracksuit, fitness attire, casual wear, or a suit.

- As a group fitness instructor, you are expected to wear comfortable exercise clothes and properly cushioned shoes to teach a class.
- As a personal trainer, you may opt for the tracksuit look or a sport shirt and shorts ensemble.
- As a gym owner, you may wear fitness attire or comfortable casual clothes.

Sweaty clothing, tattered T-shirts, cut-off shorts, transparent clothing, worn-out shoes, or minioutfits that bare a lot of skin are not acceptable and may be intimidating to novice participants.

Talk the Part

When you are in contact with people, talk about what you do with passion. You are your own best advertising, so say it with passion and say it succinctly. Many people are attracted to the healthy image that the fitness professional and entrepreneur has to offer as an inspirational role model.

When you are out talking to people about your business, you are networking! To make the best use of your networking time and to avoid giving away your expertise, you should pass along a business card or ask for theirs. Let people know that you would be happy to discuss individual needs at a time that is convenient for them. If the initial contact is via the telephone, begin with an icebreaker and ask them how they heard about you. Key information that you should ask about includes the following:

- Needs, goals, objectives, and interests (both short term and long term)
- Medical history

- Past and current physical activity levels
- Current support system (e.g., husband, wife, friends)
- Optimum training schedule for the client
- The client's expectations of a personal trainer
- Time lines and time commitments
- Access to a facility or equipment

Answers to these questions can help you decipher whether you have the expertise to work with this particular client. When you are preparing your client for the first meeting, let the client know what to expect and what to wear. Be ready to answer any questions that the client might have, including fees for your services and programs, and any additional costs that he or she may incur during this transition period toward a more active lifestyle. The costs may include new shoes and some equipment for a home gym.

As the ultimate fitness entrepreneur, you should possess superior communication skills. Whether you are at a dinner party, speaking to a potential client over the phone, or meeting a client for the first time, you will need to show that you care and are interested in the client's needs and goals. It's what you say and how you say it. Many communication experts stress three factors in communication:

- Nonverbal body language (how you appear to another while talking and listening)
- The actual words (what you say)
- Tone (how you say it)

Your body will speak louder than words, so whether you are talking on the phone or in person, you should use an open body language, smile, and make your statements reflect your genuine feelings. While speaking in person, eye contact and nodding the head can emphasize that you are interested. Consider how you use your words. Are you sharing information or do you sound like a drill sergeant?

What you say can be directed to different levels of understanding, so you'll need to assess your client's understanding of physical fitness. You may refer to a part of the body in general terms, such as the back thighs or the shoulder muscles. Some clients will be able to follow your description of the hamstrings and the rotator cuff muscles, or even the supraspinatus. " $\dot{V}O_2\text{max}$ " may be a foreign word to some, whereas everyone can relate to the phrase "an increase in energy level." Whether you say it simply or use technical language, you must use the most appropriate language for the particular client.

Remember, your beginner exercisers can work on a progressive exercise program as well as a progressive education plan with you as their guide and expert. You have the opportunity to educate your clients so that they can understand the origins and insertions of a muscle and can appreciate the rationale for a higher $\dot{V}O_2\text{max}$.

By knowing your role, acting the part, and talking like a professional, you are preparing yourself to provide the best customer service that you can offer. Well-served customers translate into client retention and referrals. This strategy will generate a growing income as one definite measure of business success.

GOALS AND GOAL SETTING

Do you have a clear picture of where you want to be within the next 2, 5, and 10 years? As you look ahead, you will need to review how your work will be integrated into your life and vice versa to ensure that you have a healthy work-life balance. You may not want to be in a situation where your waking hours are consumed by thinking of and doing your work. This could be very stressful and unhealthy. To ensure that you are on the right track for your personal and business life, you need to set goals. It's like traveling with a road map. You know when you are halfway there, and you know when you are close to your destination. Goals will guide your day-to-day operations. Goals will help you focus your energy rather

than waste it. Goals will give you the inspiration to continue to work on your daily, weekly, and monthly action plans.

When setting goals, use the SMART acronym as a reminder that each goal needs to be specific, measurable, action oriented, realistic, and time trackable.

Goals should be specific and clearly defined. They need to be measurable so that you will have standards for performance or performance indicators for success. Goals need to be achievable based on your skills and resources.

Goals need to be realistic and within your control. They also need to be set with verifiable priorities and deadlines. Your goals should be written down on paper and dated. Written goals have far greater impact than fleeting thoughts and wishful dreams. Goals can give you pride when you review them and check off your accomplishments. Over the years, you can then compare your goals with what you have achieved and set new goals. Review them every 6 months so that your goal-setting document is a true reflection of where you are and what you want to do. It's time to work on articulating and refining your personal vision.

The SMART goal-setting concept can be further refined when you consider that you can set goals in all the important aspects of your life. Imagine the lifestyle that you want for yourself. You will then be better equipped to ascertain a position that commands 100% of your working hours or find a healthy balance between work and personal commitments. We'll make this a bit more concrete in unit 1 of the online course, where you'll fill out the following form (see the form, *Defining My Short- and Long-Term Goals*, on page 17).

Check what you've created every 6 months to see where you are compared to this starting point. Date your reflections so that you can compare your thoughts today with those 2 years, 5 years, and 10 years from now.

When you review your short- and long-term goals, be sure to date your reflections. Check off your accomplishments. Revise and add new goals that reflect the different facets of your lifestyle. Now that we have looked at your total lifestyle, let's do some reality checks for your business by using a personal vision checklist.

PERSONAL VISION

Here's a personal vision checklist (table 1.1) to give yourself a realistic perspective of where you are before starting your fitness business.

Table 1.1 Personal Vision Checklist

	Yes	Maybe	No
1. Do I have the education to be a fitness business owner?			
2. Do I have all the necessary certifications to be a group fitness instructor, personal fitness trainer, or specialty trainer?			
3. Do I want to open my own business?			
4. Do I want to work in a club setting?			
5. Do I know the type of clients I want to work with (age, sport specific, gender, special population groups)?			
6. Do I have the support from my family to start a business?			
7. Will cash flow be a concern? Will a bank loan be necessary?			
8. Do I know of a successful business owner I can contact for advice?			
9. Have I written down all of my short-term and long-term goals and objectives?			
10. Am I being realistic with my expectations?			

Adapted, by permission, from S. Lee and S. Persad, 2003, *Business Strategies for Personal Training* (Toronto: Certified Professional Trainers Network Inc.)

Defining My Short- and Long-Term Goals

Begin by dating your goals document. Write down your short-term and long-term goals. Leave enough space for the details associated with each goal.

Note: Lifestyle can include personal life, fitness and health, work life, social commitments, education, leisure time activities, finances, and so on.

Created:

Date of reflection:

1. What will my lifestyle be in 6 months? _____

Accomplishments: _____

2. What will my lifestyle be in 2 years? _____

Accomplishments: _____

3. What will my lifestyle be in 5 years? _____

Accomplishments: _____

4. What will my lifestyle be in 10 years? _____

Accomplishments: _____

5. What is my ultimate lifestyle? _____

Accomplishments: _____

Date:	Goals: 6 months	Goals: 2 years	Goals: 5 years	Goals: 10 years	Goals: Ultimate
Personal					
Fitness and health					
Business					
Social					
Education					
Leisure					
Finances					
Other					

Take a moment to visualize yourself at each of these points. Are you enjoying your achievement of each goal?

From *Starting a Fitness Business* by Susan S. Lee and Sheldon R.K. Persad, 2006, Champaign, IL: Human Kinetics.

MISSION STATEMENT

As you enter the world of business, you will want to ensure that you keep a healthy work and personal life ratio. A healthy work and personal life ratio helps you commit time to your business and to your personal life. Remember that you'll need time to rejuvenate. Finding the right time for both will be a challenge as you manage a healthy work-life balance. To ensure that your work is a reflection of what's important to you, you need to create a business that will be energizing and rewarding for you. The concept of your business can be written as a mission statement.

In your mission statement, you should identify what your business is all about. Your mission statement should be uncomplicated yet give enough information to a prospective client about

- what your objectives are,
- how you will go about achieving your objectives, and
- how your company can assist in the concerns of the current industry and society at large.

Two or three well-worded sentences will usually be sufficient to convey your mission. The following example states up front the concern for health in a positive way. Clients will be serviced with a variety of programs. Clients will be drawn from all sectors of society, and services will be available to all.

Sample Mission Statement

ABC Fitness Company is committed to establishing a healthier community. Through personal fitness training, group fitness classes, and unique programming, we will provide the expertise, service, and encouragement to help you meet your goals. The results of our clients' achievements will make them role models for others and serve as an inspiration for an active, healthier lifestyle for all.

A lot of thinking and planning is required at the beginning of any business. This first chapter may have given you some food for thought. You, as a fitness entrepreneur, can play an important role in reversing some of the societal trends toward inactivity and obesity. Your growing understanding of your responsibilities as a fitness entrepreneur should help you share the vision of your mission statements, turning them into the reality of a successful fitness business. If, for example, your mission is to reverse the increase in diabetes, you can turn some of your thoughts into business action steps. You can contact diabetes associations, conduct presentations in your local area on diabetes, and contact medical professionals specializing in this health condition. You now have a focus for your business. As you gain more experience over the years, you will gain credibility as a fitness specialist in this specific health condition.

Let's take a look at a couple of success stories. Notice how each of these fitness entrepreneurs incorporates an understanding of industry trends into a mission for a fitness business.

Case Study 1: Wendy

Wendy, a sedentary 50-year-old woman, decided one day to start losing some weight. She carried 200 pounds (90.7 kilograms) on her 5-foot (152-centimeter) frame. In 1 year, she was able to shed 90 pounds (40.8 kilograms) through exercise and proper nutrition. Her exercise routine consisted of walking and weight training. After she lost weight, Wendy thought it would be a worthwhile idea to pursue personal training and teach others about the benefits of exercise. Two years later, Wendy is a certified personal trainer with a client roster of overweight and older clients. Wendy shares her story (including before and after pictures) of her journey toward a healthier lifestyle on her own Web site. This success story highlights Wendy's attention to the obesity and older adult trends that will continue to support her business. With her insights, education, and certification, she is now able to help others fight the battle of the bulge and enhance the aging process. As you can see, Wendy can easily tap into the niche market of sedentary adults, older adults, and female clients. With the appropriate technical knowledge and professional skills, she can easily go from being a full-time trainer to becoming a manager of multiple trainers.

Case Study 2: David

David, who is 25 years old, competed in fitness competitions and bodybuilding competitions locally and in several international competitions. He is a certified group fitness leader and physical education teacher. David wrote two books: one about his training and competitive experiences, and the other on how to get fit. David's business now focuses on group workshops to teach individuals how to compete as well as giving people inspirational stories on how to get started on an active lifestyle. David's business grew from getting the right education and having the credentials. His business stems from the sale of his book and workshops. David has found his niche market in the world of fitness and bodybuilding competitions.

Like Wendy and David, you can become successful by learning how to build your business, market your business, and develop your own niche markets. These topics are covered in the chapters to follow. You will also learn how to expand your business. After you have built success in one niche market, you will want to expand to others.

BUSINESS DEVELOPMENT

A great way to practice your entrepreneurial skills is to take time out from your daily routine to record your ideas and dreams. Plan action steps to reach your goals. Tap into your network of business leads, and let people know you are a fitness entrepreneur and that you are open for business.

You will learn about the details of business development in the following chapters. You'll be able to apply the best strategies for your business. You'll develop inexpensive marketing tools, design your very own fitness studio, and identify your ideal clientele.

We want to reiterate that as a fitness entrepreneur you have to learn to balance your roles, one as the fitness professional and the other as the business owner. Keep your technical skills current. Polish your business skills daily.

Are you ready to look at the different types of business structures, niche marketing plans, and financial plans? Let's move on to chapter 2 and discuss business planning.

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CHAPTER TWO

Business Planning

In chapter 1, you learned that giving thought to your personal vision will better equip you as you take steps toward achieving your dreams. Creating your mission statement and determining your short- and long-term goals are also necessary steps that will help create a clearer picture of the direction you want to take with your business.

In this chapter, we'll discuss time lines for opening your fitness business. We'll look at different business structures and discuss the advantages and disadvantages associated with each structure. Analyzing your market can help you identify a primary target population and the types of programs and services they want. We'll spend some time examining this process. Financial planning is essential to starting a new business. We'll look at budget requirements for your new fitness business. We'll also discuss legal liability issues and best practices to protect yourself as a fitness professional and business owner.

As you prepare to open your business, keep in mind that it takes time to create your ideal situation. Starting a business does not occur overnight. It takes planning and can take a year or longer. With this in mind, here is a list of potential time lines you can refer to in determining when you should be accomplishing major milestones.

TIME LINES

1 to 2 Years Before Opening: Feasibility

During this period, you will be going through a lot of preliminary investigation. You should research all you can about the fitness industry. Ask yourself the hard questions about your strengths and weaknesses and about whether it is realistic for you to join the industry. Start giving thought to a feasibility study as you gather your information. A feasibility study is a systematic method of determining if the idea for your company contains merit; this study includes analyzing aspects such as your intended location, how much money it will take to start and maintain, the training you will need, and the types of clients you expect to attract. You should enroll in courses and conferences related to fitness and business so that you will get an overall impression of your needs, strengths, and weaknesses.

1 Year Before Opening: Certification

A formal education could potentially take 3 years or longer. However, even if you have a degree or diploma in a fitness-related field, specific certification is necessary. If you are not yet certified, you should research the certifications that are available in your area and prepare yourself for the next examination process. Certification will enhance your credibility and marketability. You will be viewed as a professional in the field. You will also find

through your investigation that specific certifications are recommended for potential niche markets (e.g., pre- and postnatal).

10 to 12 Months Before Opening: Business Plan

You should start writing your business plan during this period. Your business plan would include your business structure, your marketing strategies, and your financial planning. We will work on a business plan in the online course. As part of your market analysis, you need to know what fitness services are already offered in your area and by whom. Knowing what related services are available in your area will help you in your cross-promotion efforts later on. You should create your wish list of equipment and begin to price items. At this point, you should also consult with your lawyer, accountant, and bank manager.

8 to 10 Months Before Opening: Registration

By this time, you have already selected your company structure (as outlined in your business plan) and your location. You need to register your company name and your business. Start creating the text for your marketing materials. If it is within your budget, work with a professional to create your company's identity (business cards, flyers, client service kits, introductory letters, and Web site design). At this point, you wouldn't be including details (phone numbers, address, and so on); you would simply start considering your look.

4 to 8 Months Before Opening: Program Development

During this period, you should discuss your program ideas with your network of advisors. Start planning for program implementation based on having either your own studio or portable equipment. Begin to explore the specific equipment suppliers you want to deal with for your wish list of equipment. Determine your company policies and procedures. Create your personal job description and potentially the job descriptions of staff you might eventually hire. Design your company clothing and establish your professional look.

3 to 4 Months Before Opening: Networking

You should make appointments to meet with representatives from the local businesses. Meet with a number of professionals in the area to introduce yourself (e.g., massage therapist, chiropractors, medical doctors, dentists, and physiotherapists). Inform them of the types of services and programs that you will be offering and how you can be of mutual benefit in complementing services that they offer. Start conducting job interviews for the positions you have determined to be necessary at opening time. Set a date for a grand opening event 1 to 3 months after you open your doors. This will ensure that you give yourself time to allow for a delayed opening as well as to iron out any issues with your business and services systems.

1 to 3 Months Before Opening: Invitations

You should have settled on the location of your facility by now (if you are opening a facility). At this point, you need to finalize your decisions on the people that you want to hire as staff. Send out invitations to local residences and businesses for your grand opening event. Door or draw prizes are always an excellent way to encourage people to attend. You can give away heart rate monitors, limited complimentary yoga classes, or two-for-one opportunities. Serving healthy, age-appropriate (i.e., kid-friendly) refreshments is always a good idea to foster a caring image.

1 to 4 Weeks Before Opening: Final Checklist

Send out reminder flyers about your grand opening. Review policies and procedures with your staff. Set up your training space (including mirrors and so forth) and your office space (telephone, computers, printers, copiers). The move-in for you and your equipment would

occur during this period. Test all equipment to ensure that everything is in working order. Be sure that all staff members have company uniforms that fit.

Launch Day: Enjoy the Day!

On launch day, be at your location early enough to meet and greet the interested members of the community. If starting your business does not involve opening a facility, be sure you inform people about when you will be taking on clients. Talk to people about your services and note the names and numbers of potential clients. For enthusiasts who have been waiting for your services, start booking sessions with them. A timely launch of your services could coincide with those times when people's thoughts often turn to fitness, such as January to February, September to October, and May to June. These time frames also coincide with the busy times in the fitness industry and fitness clubs. You may just be the fitness expert that the potential client has been seeking. Do not be discouraged if people do not call upon you right away. Often it takes time for people to make a decision. It is not unheard of for potential clients to contact you weeks or months after first meeting you. Therefore, you must make a good first impression. You need to smile, be friendly, and willingly answer questions.

Two or Three Days After Opening: Follow-Up

Take time to follow up with individuals who attended your opening. If you did not open a studio but instead started distributing marketing material, take time to write thank-you letters or make phone calls to all interested parties. Provide them with an opportunity to try your services, or offer to be their contact as the local fitness expert. Also, take time to write thank-you notes to individuals who refer people to you.

Ongoing: Evaluation

You should constantly evaluate and review your business and marketing plans (monthly and quarterly). Fine-tune them by making changes based on program evaluations and client feedback. Review your staff needs and effectiveness. Evaluate the equipment you have purchased. Remember, commitment to action is a key factor in turning the dream of your own business into a reality. Track your successes. Energize yourself with successes and you will be able to achieve bigger and bigger goals.

Now that you know what to expect, it's time to talk about the details of how to start. What should you do first? You might find it valuable to talk with people you know who have started a business or who have helped others start a business.

HOW TO START

Before creating your business plan, you should consult with a few key people. At the top of your list should be someone who owns or runs a company similar to the vision you have of your company. Discuss the challenges that he or she faced when starting, in addition to talking about the ideas that really worked. Next, you should consult with an accountant and a lawyer, and you should have a preliminary conversation with a bank manager. As you create relationships with these people, you'll find that they will constantly be able to help direct you and provide you with valuable information.

Creating these relationships early in the process will help you move forward with greater ease. You need to create relationships with individuals who can advise you when making important decisions and help you avoid making mistakes. When you have consulted with people you respect and you feel you have enough information to start, it is then time to consider creating your business plan.

A business plan is a document that contains information such as your business structure, your mission statement, the types of clients you will be seeking (your niche), your marketing strategies, your financial projections, and liability issues. You need to put your business plan down on paper so that you can offer details to any prospective investors or

anyone that you seek to involve in starting your company. Your business plan will serve you like a road map and will help you direct your focus with greater resolve as you start your career as a business owner.

The first important decision that you will have to make is what type of business structure you would like. The type of business structure you select will affect critical issues such as how much you need to invest at the onset, how much you are taxed, and even how you pay yourself. It will therefore be necessary for you to have an understanding of the basic structures you can choose from.

BUSINESS STRUCTURES

The three basic types of business structures are

- sole proprietorship,
- partnerships, and
- corporations.

Let's take a look at each of these business structures. We will explore the requirements for starting a business within each of these basic structures. We will also compare the advantages and disadvantages associated with each type of business structure.

Sole Proprietorship

A sole proprietorship is a form of business that is owned by one person. It is the simplest form of business organization to start and maintain. In this type of ownership, you would be the only owner and the only one legally responsible for all business operations, liabilities, and assets, even if you have employees working for you. With this structure, your business assets would be tied with your personal assets. This is also the most prevalent form of business structure, accounting for approximately 75% of all businesses in the United States (Grantham, Patton, York, and Winick 1998, 53).

How to set up a sole proprietorship

- Determine your company name.
- Determine if your desired company name is available by conducting a name search through the appropriate government authorities.
- Register your company name.
- Register your company with the appropriate government authorities.

Advantages

- You are your own boss and are responsible for all decisions.
- All profits belong to you.
- This business structure is relatively inexpensive to establish and maintain.
- You have less responsibility for reporting to government agencies (not as much paperwork is required).
- Losses from the business can be offset against any other income or future earnings (in some countries, net losses can be carried backward or forward a net difference of 7 years—check the regulations that pertain to your situation).

Disadvantages

- No special tax status applies to your company.
- You are responsible for all business operations.
- You have unlimited liability that falls on your shoulders.

- Vacations are often unrealistic (time away from clients is costly if you have a non-facility-based company and do not have any employees).
- You are personally liable for all business debts, which means your assets (potentially including your home) may be at risk.
- You continue to pay tax at the personal rate.

Without a lot of capital to invest, you will find a sole proprietorship to be the most appropriate structure for your needs. If you start your company as a sole proprietorship and your needs change in the future (i.e., your company grows), it is possible for you to modify your company structure.

A year or two down the road, you might have a friend or associate who is interested in becoming your business partner. If this coincides with the growth of your company, another type of business structure you can consider is a partnership. We will discuss two types of partnerships, general and limited.

Partnerships

If two or more people own a company, it is generally termed a partnership. A partnership can be created by a verbal or written contract between people. Although partnerships can arise out of verbal agreements, it is wise to seek the advice of a lawyer and an accountant. Even the best of friendships can suffer when a business partnership lacks agreed upon terms, a division of capital, and a clear statement of individual responsibilities. You should have a lawyer draft a partnership agreement specifying the rights and responsibilities of each party involved.

Another option is for you and your partner to draft an agreement and then have it notarized by a lawyer. You should note that any contract you sign is binding regardless of whether it is notarized or not, but it would be wise to have any contract witnessed by a third party. This option could potentially save you money because you will not have to pay additional lawyer fees. In any event, it is much easier to determine boundaries at the onset of starting a business as opposed to trying to backtrack.

General Partnership

General partnerships are more or less extensions of a sole proprietorship and are still relatively uncomplicated to set up and manage. All partners share profits and losses of the company equally (unless otherwise agreed upon) and must file personal tax returns accordingly (check the regulations that pertain to your situation).

Limited Partnership

Limited partnerships are more closely regulated than general partnerships. Limited partnerships are more likely to have written agreements created by legal representatives. In such an arrangement, partners could be silent investors, in which case the partner would not assume equal liability, profit sharing, or losses. For the most part, silent partners' profits and losses are determined by the amount invested into the company. Silent partners would not gain or lose as much as general partners, who tend to be the "front" for the business. This type of structure might be viable for you if you have a person or a group of people who trust and know you well, and who are willing to invest money into your fitness business.

Whether you enter into a general or a limited partnership, you need to consider the characteristics of a successful partnership. A successful business partnership is similar to a successful marriage—it is a challenge at times but is a complement of skills, needs, and objectives.

If you are considering a partnership, you should think about the following questions:

- Do you and your partners have mutual respect for each other's skills and abilities? All partnerships must have a degree of mutual respect. Without respect, there is a lack of a teamwork frame of mind.

- Do you share similar ideals and values? Without similar ideals and values, you and your partners will not see eye to eye on how to approach challenging situations. For example, you might feel it is inappropriate to work on a Sunday while your partner wants to work 7 days a week.
- Do you have similar visions, goals, and objectives? If you have a vision of growing your business to include several locations with dozens of staff, but your partners want to simply have one location with a small staff, this might cause conflict in the long run.
- Do you have similar working habits? Do you get work done early, or do you leave things to the last minute? What about your partners?
- Do you have mutual trust? For example, can you trust your partners to make large bank deposits or withdrawals?
- Do you and your partners collaborate well on projects and tasks? Does it take you less time to complete a project together, or does it take more time?
- Do you have a mutual understanding of each other's roles and responsibilities? Often partnerships work when there is a division of work to be done. One person can be the big picture person (creating and conceptualizing), and the other can be the details person (determining if the ideas will actually work).
- Do you have similar communication skills and styles? If not, you must at least have an understanding of how to communicate with each other. You might want to talk about things immediately as they occur, yet your partner might want time to think and reflect. You need to discuss a mutually agreed upon method for talking about problems and a system for conflict resolution.
- Do you and your partners complement each other's strengths and weaknesses? For example, you might be a marketing wiz while your partner excels at financial planning.
- Do you have mutually agreed-upon methods of dividing profits? This area can often be the greatest source of conflict.

How to set up a partnership

- This is similar to the setup of a sole proprietorship.
- Certain liability issues do exist (see the following text under "Disadvantages").
- Create a partnership agreement.
- Determine your company name.
- Determine if your desired company name is available by conducting a name search through the appropriate government authorities.
- Register your company name.
- Register your company with the appropriate government authorities.

Advantages

- This business structure is relatively easy to set up and manage.
- Partners' talents can be combined, and responsibilities can be shared.
- Having a greater number of people involved can lead to greater specialization of tasks.
- Greater tax benefits apply to your company (losses can offset other revenue).
- Taxation obligations may be minimized, particularly when members of the same family are included in the partnership.
- The ability to raise money for the business is enhanced when a greater number of people are involved.

- A limited partner can invest money without needing to invest time into the company (this requires trust in the general partners).
- Vacations and time away from the business are more realistic with a trusting partnership.

Disadvantages

- Liability is unlimited for general partners (you can be sued for something your partner does).
- Liability is limited for silent partners (as long as they are not involved in the general administration of the company).
- General partners are tied to the liabilities of other partners (even in death).

After further investigation and searching, you might find that a partnership best suits your needs. Again, the vision for your company and your objectives will aid you in your decision.

The third type of business structure that we are going to discuss is a corporation. A corporation can come in more than one form and, as you will learn, can be more complicated to establish and maintain.

Corporations

Unlike a sole proprietorship, where personal and business assets could be tied together, corporations are considered and recognized as separate legal entities.

There are two basic types of corporations—those that are publicly traded (known as a public limited company or Plc.) and those that are privately owned (identified by the abbreviation Ltd. or Inc. at the end of their name). In the case of a “limited” company, the amount of liability assumed by the owners is limited. This limit in the liability is often determined based on how much money one invests into the company and the amount of daily involvement in company affairs. For a silent partner, money would be invested, but the amount of daily business contact and therefore the amount of liability would be less than for someone who is more involved in company operations.

If you are a sole proprietor or a partner, you can be held personally liable for company losses, which can be taken from your personal assets. A limited company, however, is a separate legal entity unto itself. With this business structure, a company can incur debt that would not be tied to your personal assets. For the most part, a person is liable only for the amount that the person invests into the company (it is advisable for you to learn more about the regulations that pertain to your situation).

How to set up a corporation

- You must register the name of your company and the directors.
- You will need to consult with a lawyer and accountant to complete your company documents of incorporation, which you can secure from a lawyer or bank manager (or from a “do-it-yourself” kit provided by your government authorities if you want to save legal fees).

Advantages

- Liability is limited.
- Division of the company ownership is easier to establish.
- The company is set up as a separate legal entity (personal assets are better protected).
- Income can be given as dividends (greater tax benefits).
- The company can run at a loss without hindering the directors.
- Succession planning is possible.

- Small business deductions may be possible (based on federal requirements).
- You have a greater likelihood of securing bank loans if necessary.

Disadvantages

- This business structure is more expensive to set up than a proprietorship or partnership (legal fees, accounting fees, government taxes).
- Losses cannot offset other income.
- Special tax returns must be filed.
- There are greater rules and regulations to abide by—formal documents of incorporation must be notarized, annual general meetings must occur with directors or shareholders present, minutes of meetings must be made available if requested (e.g., by a bank manager).
- Often owners or directors of the company must offer personal guarantees to investors or the bank before funds are secured.

If you decide that you would like to establish a corporation, you might find certain pieces of information valuable when approaching a bank or your government authorities. For example, creating a memorandum of association and articles of association will help clarify your business setup when approaching your government authorities and especially if you intend on approaching investors.

Memorandum of Association

In some countries, you must submit a *memorandum of association* when registering your company with government authorities. In effect, you are required to describe your company and the intention of your business. Included in such a memorandum is your company's name (which must be registered after conducting a name search), the location of your business head office, the nature of your business (e.g., health and fitness training), and the names and percent ownership of all parties involved.

Articles of Association

Articles of association are the documents that describe in detail the rules and regulations of how your company will be organized. Information about the owners, percent ownership, the division of responsibilities, the period between partners and shareholders meetings, and the date for your annual general meeting would all be outlined in such a document.

Company Shares (Public Company) Shares have a nominal value, and the money paid for the shares is held by the company as assets. The person or persons with the greatest number of company shares have the greatest control of the company. In a large business, company shares are often given to employees as a perk of employment.

Summary Take time to review and digest the information about business structures. As part of your review process, think about your own business objectives. The case study on page 31 may give you insight into your own situation and potentially help direct you toward the most appropriate structure. Pay attention to Judy's vision, time, and financial situation.

You must take time to assess your needs and wants. This would also be a great time to evaluate your personal vision and your goals that you outlined in chapter 1. While Judy selected a sole proprietorship, you might find an alternate form best suited for your needs. Do you know someone who complements your skills and interests? If so, a partnership may be the best business structure for you.

If you are financially stable and you have good knowledge of the industry and the business environment, you might determine that a corporation is better for you. Remember to review the advantages and disadvantages of each structure in concert with your personal vision.

Once you have had the opportunity to evaluate your vision, you should begin to consider your marketing plan. Excellent products and services fail at times because no one finds out about them. A marketing plan will force you to evaluate your services and how you will inform people about what you have to offer.

Case Study 1: Judy

Judy has been a volunteer certified fitness instructor at her local community center for several years. She is now looking for a career change from her full-time job; she would prefer to work alone and wants complete control over her company. She is a single mom, but her son just finished college and will not be moving back home this summer. She has a little money set aside to invest and has a great working relationship with her bank manager. She also has an unlimited amount of time to devote to getting started with her new fitness business. Her best friend, who lives in another city that is a short drive away, started her own company 5 years ago. After going through a few minor setbacks, her friend now has a very successful business. After speaking with her friend, meeting with her bank manager, and reading information online, Judy has decided to open her business as a sole proprietor.

Although Judy was really nervous about opening her own business, the biggest factor in her finally taking the big step was being able to speak to her friend. Having the opportunity to speak to someone close to her who recently went through the same challenges was vital. Her friend was able to point out that the timing was perfect. Judy's fitness background, time availability, and the fact that her son was not going to be living at home all contributed to a great opportunity.

MARKET ANALYSIS

Success is greatest when time is taken to create strategies for marketing before opening a new business. You want to determine whether or not opening a new business is realistic. You need to create a plan of how you will find answers to your questions. Conduct an analysis of businesses in your area, the types of people you would like to attract, what you will charge for your services, and where you will work. To accomplish these many tasks, you should conduct a feasibility study.

Feasibility Study

Feasibility studies provide a detailed analysis of your competition and your potential clients. You'll also evaluate your financial resources and potential for hiring staff. The results of a feasibility study should help you see your options and the tradeoffs you may need to make as you begin a new business.

You'll begin your feasibility study by answering a number of questions. What fitness businesses are in your area? What services do they offer? Who are their clients? Remember, you can use statistics to your advantage. For example, as mentioned in chapter 1, less than 30% of the population is physically active. This would include people willing to join a facility and people who are active without going to a facility. If you intend on opening your business in an industrial area, approach each business and ask the receptionist or human resource manager how many employees they have. It stands to reason that approximately one third of the employees are active and that a percentage of them would potentially be interested in the services you want to offer. Is there a club close by that the employees use or does the company have an in-house facility? What can you offer those who are physically active that will entice them to use your services?

It would also be valuable for you to research how many facility-based fitness businesses in your area have closed down in recent years. If you discover that a fitness company closed down a few years ago, you should find out why. You would not want to make the same mistakes. Some municipal government offices will provide you with the preliminary information that you need. However, if government agencies do not prove to be helpful, think about approaching real estate agencies. An agent could provide you with valuable information about area business establishments, vacancy rates, and rental turnovers. Furthermore, you can also approach local universities or colleges for population density and demographic information. The use of government or institutional information can be much more cost effective and time efficient.

Let's work our way through the different types of questions you should include in a feasibility study. Your goal is to gather information that will enable you to make decisions about your new fitness business.

Fitness Clubs in Your Area

What programs do the fitness clubs in your area offer? What type of equipment is popular? How much is a membership? Whom do they attract? Where do they advertise? How many clients do they have? What percentage of their clients seek specialized programs? Do they have any job openings? What certifications do they require of staff? Does the staff enjoy working at the club? How often do staff members turn over?

Instructors in Your Area

What do the instructors in your area offer? Who are they (personal trainers, aerobics instructors)? What are their specialties (Pilates, yoga, nutrition)? What types of services do they provide (group training, one-on-one coaching)? What do they charge clients for services? How long have they been in business? What are their strengths and weaknesses? Where do they advertise? Whom do they attract?

Potential Clients in Your Area

What is the population density in your area? Do you prefer to work primarily with men or women? Do you prefer to attract the business executive or the stay-at-home mom or dad? Are you interested in the sedentary person, moderately active person, weekend warrior, or elite athlete?

You must determine the specific group or types of clients that you want as customers and stick with that group! A lack of focus can be detrimental to your business. When you start your company, you will be anxious to say yes to all prospective customers; however, you will be able to better serve your clientele if you stick with your area of specialty. You must also answer the question, Why would someone want to train with me?

Fee Considerations

When conducting an analysis of the market and services offered by others in your area, you should also take note of their fee structures. Your fees will be dictated by your education, certifications, specialties, and programs offered. You should also distinguish what others in your area charge for similar services (if they provide similar services). However, the greatest factor in what you will be able to charge clients will be what the market can bear. The bottom line is this: What will people be willing to pay for your service?

Another big factor that will affect your fee considerations is where you locate your business. Based on your financial needs and stability, there might be cost-saving options for you when you start your business. For example, meeting clients in their own homes might be less expensive than opening your own facility and a more realistic way for you to start your business.

Location of Your Business

People will typically become clients of fitness facilities that are close to home or work for convenience. It will be rare for someone to drive farther than 20 minutes away from home or work.

Considerations

Will another fitness business in your area saturate the market? Will you be located in an industrial or residential area? Will it be necessary for you to be near public transportation? Is the population in your area affected by climate and the passing seasons? Will you have a virtual office and travel to people's homes? How far will you be willing to travel?

Using Your Home

Using your home for coaching or instructing clients might be appropriate if you feel comfortable in your own environment, although it is sometimes difficult to distinguish between your work space and your private living space. If you are comfortable with the idea of people being in your home, the advantages might outweigh the disadvantages.

Advantages

- Overhead is lower.
- You have no need for travel.
- You control the environment (i.e., equipment purchases, maintenance, hours of operation).
- You may receive potential tax benefits.

Disadvantages

- The amount of space needed might be an issue.
- Your home is no longer private.

Traveling to Your Client's Home

When you provide fitness services in your client's home, the greatest concern is your safety as the instructor. In this situation, it might be prudent to make your initial consultation in a public area. Perhaps the first few sessions in the client's home would be with an associate present who is there at your request. Be sure of your safety first before agreeing to this type of training arrangement.

Advantages

- The client purchases his or her own equipment.
- It is more convenient for the client.

Disadvantages

- Travel time can be unproductive.
- Safety might be an issue.
- Some clients might not have any equipment.

Rental of a Facility and Contract Work

This scenario is perfect for the instructor who is unsure of what method is best. In this type of situation, you can find a studio that you can rent on a "per use" basis or a club that wants to hire you to teach members. Such arrangements are becoming more popular and are tailored for the instructor who does not have the capital to finance his or her own facility.

Advantages

- Your services are provided in a more professional setting.
- It allows you to generate income as you grow your business.
- You do not necessarily have to spend money on marketing to clients.
- You are not responsible for capital outlay.

Disadvantages

- A percentage of the fee goes to the owner of the studio.
- Facilities will be shared, and you might have to wait for equipment (with your client).

Owning Your Own Facility

If finances are not an issue, owning your own facility might be the perfect scenario for you. You will have control over all operations of the studio, including the size of the facility, the equipment, and the hours of operation. You can potentially rent your space to others or hire any number of employees you need to service your clients.

Advantages

- You are able to find the space that suits your needs.
- You control all aspects of the operation.

Disadvantages

- Initial capital investment is required.
- You are responsible for all aspects of the operation.

Ultimately, each aspect of your market analysis should be evaluated based on your personal vision. You might have a desire to open a fitness center. However, when studying the area you had your heart set on, you may find that three fitness centers have closed down in less than 7 years. In such a case, you should modify your plans by looking in a different area of your city, or you could change the way you will offer services by focusing on in-home training. In any event, with your personal vision, you should have an ideal scenario for your business in mind. How does your market analysis match up with your personal vision? Does it match at all? You can use table 2.1 to help you start your investigation.

You might find that opportunities arise that you did not account for in your personal vision. Although it is important to focus on a plan, life sometimes requires you to be flexible. For example, take a look at this case study.

Once again, take time to digest and review the information you have just read. When you are ready, answer the questions on the form, *My Ideal Situation*, on page 36. You can approach these questions in two different ways. The first scenario would be what your ideal vision is for 5 years from today. The second scenario would represent your current realistic situation. The final steps would involve creating strategies to link the first scenario to the second. How will you get there?

Your answers to these questions will help you determine the business environment that best suits your needs. Once you determine your appropriate business environment and the types of clients you would like to attract, you can then make wise decisions about how and where to market your services.

Case Study 2: Bobby

Bobby just finished his first year of working at a fitness club as a personal trainer. Over the past year, he has developed wonderful relationships with his clients, and he has been one of the top three sought-after trainers in the club. Although he does not want to leave the fitness club, he found a great apartment for rent with a friend that is miles away from the club he is currently working at. He plans on being a waiter at a local cafe while he trains four people who have been referred to him by his current clients. Bobby would eventually like to have his own facility, but for now he will train each of his four new clients in their homes. He does not have a car, but he has ensured that all four of the clients are within a 15- to 20-minute bike ride from where he will be living. His plans are to focus on in-home training and also start a cycling group for the more serious rider on the weekends while he puts a little money aside to eventually open his own facility.

Bobby is being flexible with his vision at the moment. Although his ultimate goal is to open his own place, he will conduct in-home training sessions and group cycling workouts to start. Both of these types of programs require little overhead for Bobby, and he can start to save money. He also has a part-time job as a waiter to make sure he has another source of income initially while he gets on his feet.

Table 2.1 Market Analysis Chart

Your categories	Your questions	Your findings
Fitness clubs in your area	Years in business Services offered Cost for services Equipment at facility Types of members Special programs offered Types of staff hired Quality of staff (education, experience, certifications) Staff satisfaction (Are they happy?)	
Personal training studios in your area	Years in business Services offered Fee structure Types of clients Certifications held Specialties Equipment used	
Number of bankrupt clubs and fitness businesses in your area	Date of closure Reason for closure	
Residential client opportunities	Density (houses, townhouses, apartments) New families or new developments Retirement homes	
Commercial client opportunities	Industrial or manufacturing Business or financial sector	
Transportation	Public transit opportunities Highway access	
Studio and gym space in your area	Leasing opportunities Purchasing opportunities	

Once you are comfortable with your answers to the previous questions, you will be ready to consider the next step, financial planning. Financial considerations at times can be the most challenging step when creating your business plan.

FINANCIAL PLANNING

Failures of new businesses often arise because of lack of proper financial planning during the first 6 to 12 months after opening. People plan for initial opening expenses but do not plan for low revenue generation in the first few months. Similar to outlining your goals, you need to plan a budget that is realistic and takes into account cash flow restrictions and obstacles. If you intend on approaching your bank manager for a loan, you will have to submit a proper financial plan outlining where and how you will allocate funds and time lines for expected revenues and expenses. We will explore considerations when seeking a loan, creating relationships with accountants and bookkeepers, plus dealing with issues related to budgets.

My Ideal Situation

The types of people I would like to have as clients include the following:

1. _____
2. _____
3. _____

I would like to attract clients from the following areas of my city:

1. _____
2. _____
3. _____

	Yes	No
I would like to work out of my home	<input type="checkbox"/>	<input type="checkbox"/>
I would like to travel to people's homes	<input type="checkbox"/>	<input type="checkbox"/>
I would like to open my own facility	<input type="checkbox"/>	<input type="checkbox"/>
I would like to work with clients online	<input type="checkbox"/>	<input type="checkbox"/>
I would like to work with clients over the phone	<input type="checkbox"/>	<input type="checkbox"/>

Seeking a Bank Loan

Here is a list of information that will be necessary if you plan on approaching the bank for a loan:

- Expected loan or investment requirements—How much will you require for start-up cost and sustaining costs while your business grows?
- Financial outlook—What will your general monthly and quarterly revenue and expenses be? How much will you be giving yourself? How much will you be giving to potential staff?
- Statement of funding proceeds—How will you allocate funds?
- Sources and applications for funding—Will you be securing funds from other investors? What will the investors' relationship within your company be?
- Capital expenses (equipment, computer, and furniture requirements)—What amount will you spend on each area?
- Pricing—What will you be charging clients for your specific services?
- Financial statements—What reporting and bookkeeping system or method will you use once you start your company?
- Projected balance sheet—What are your current revenue and expenses, and more important, what will they be in 1 month, 6 months, and 12 months?
- Break-even analysis—How long are you prepared to operate at a loss? At what point do you expect your revenue to exceed your expenses?
- Personal financial statements—What is your current financial situation? Do you have any current outstanding loans? What investments do you own? What collateral (if required) do you have to offset your loan?
- Credit ratings and reports—Do you have a good credit rating? Have you always paid off previous loans on a timely basis (including credit card payments)?
- Letters of reference—Your bank manager will often require you to submit letters providing information about your character.

Note: If you are not able to secure a loan from the bank, there are often loan incentive programs plus federal and regional programs that encourage new business ventures. Even if you do plan on approaching your bank, you should spend time researching programs that you can use to your advantage. For example, there are federally run corporations and organizations that are set up to help small to medium-sized companies with funding and special programs. These federally managed programs exist worldwide, and you should inquire at your government offices.

You also need to discuss your financial plan with your accountant. Your accountant can also give you advice on the best bookkeeping methods to help you track your revenue and expenses.

Initially, if you are opening the business on your own, you might have to be the bookkeeper in an effort to keep expenses at a minimum. Taking the time to research (with your accountant's help) effective and simple computer accounting programs will be valuable.

Accountants and Bookkeepers

In case you have never dealt with an accountant or a bookkeeper, we will take time to clarify the difference between the two. Accountants are generally responsible for helping you keep your finances in check. They will help you prepare financial data for tax reporting and can complete your annual tax returns. They also help you prepare a financial report if you desire to attract investors for your company. Although these tasks are extremely important, you might choose to use the services of an accountant periodically (if at all). You might use an accountant at the onset of starting your business and then just at your company's year-end

(which does not have to correspond to the calendar year-end). It is more economical to use the services of an accountant infrequently.

A bookkeeper is someone who keeps track of, records, and balances your budget on a more frequent basis. The bookkeeper would simply pass the information along to your accountant when the need arises. When starting your own business, you might find it easier to keep your own books in order, both from a logistic and monetary standpoint. Dozens of computer programs make it realistic for even novice business owners to keep track of their own books.

Here are just a few options for accounting programs:

- AccPac Simply Accounting
- MYOB (Mind Your Own Business)
- Simply Accounting
- QuickBooks
- Business Vision
- Integrated Office Accounting

Your need for either an accountant or a bookkeeper will be based on your objectives, needs, and financial situation.

Budget Planning

By creating a budget, you are able to gauge if you are on track or not. We'll work through some budget examples in unit 2 of the online course. You can prepare for these by thinking about the details of budget planning. A budget provides a working check of your expenses against your goals and revenue on a monthly and quarterly basis. Your financial plan is the big picture, and your budget is the detailed picture of each probable expense you will incur and revenue you generate by category. For example, if you intend on using your car for business, you might expect to pay C\$80 (US\$69) in January, C\$90 (US\$77) in February, and C\$70 (US\$60) in March toward gas. When the first quarter of the year is complete and you look back at what you actually spent on gas, the difference in what your budget was and what you actually spent is considered your variance. You will then use the actual numbers to help you plan future budgets. The goal is to keep your variance to a minimum.

Here is a list of other categories you might want to consider including in your budget:

- **Revenue.** Group training, one-on-one training, general memberships, specialty classes, and products
- **Expenses.** Payroll, advertising and marketing, office supplies, cell phone, clothing, insurance, accounting and bookkeeping fees, gas, taxes, travel, and postage

Note: You will also have to differentiate between the onetime expenses and the recurring expenses. Typically, depreciating assets such as exercise equipment and computers would not appear on your monthly budget balance sheet unless you have leased them and monthly payments apply.

We all have different strengths and weaknesses. Not everyone is going to be good with financial numbers. One thing you should note from the following case study is that you do not need to be a certified accountant or even possess that knowledge to get started. Seek advice and help from a professional.

If your situation is similar to Natalie's, you might want to consult with an accountant often. Furthermore, if you have never had to create your own operating budget or a financial plan, speaking with an accountant will be a necessary step for you to take.

On the other hand, if you have solid knowledge of financial issues, you might not need to use the services of an accountant as often as Natalie. For example, if you prepare your own tax returns and keep detailed records of your personal finances, you might use the services of a bookkeeper more often to help you along.

Case Study 3: Natalie

Natalie has been thinking about starting a new fitness business for years. Her goal is now to start her own company in 1 year. She has had a little accounting background from school, and she currently does keep track of her personal expenses on a monthly basis. She has never had to create a budget before, but she is comfortable with numbers. She does not know her parents' accountant very well but next week will be meeting with him to ask for advice. At that same meeting, she plans on asking him for recommendations on finding a bookkeeper and a computer program to help keep track of things when she starts. Because Natalie wants to save money, she has looked into a couple of accounting computer programs already and would like to review them with her parents' accountant.

As you will note from this discussion on financial planning, you need to seek guidance from any or all of the following professionals: an accountant, a bookkeeper, a bank manager, and potentially an investor. Consultations with any of these individuals will help you to structure your financial planning.

Now that we have taken care of discussing your business structure, your marketing plan, and your financial plan, you are only a few steps from completing your business plan. Your next priority should be to consider your legal liability issues.

LIABILITY

More often than not, issues of liability arise simply because of poor planning. This can come in the form of insufficient screening methods of potential clients, lack of structured equipment maintenance or servicing, poor staff training, or a lack of proper company policies and protocols. Even if you establish a sole proprietorship, you should have a structured, standardized method of dealing with people, equipment, staff, and day-to-day business operations. One of the most important steps to take when dealing with clients is health screening.

Health Screening

A fitness business owner's primary role is dealing with people who want to improve or maintain their health and fitness. You must consider systematic methods of health screening. Appropriate health screening serves many purposes. It will serve as a standard by which you can assess the readiness of an individual to begin your fitness programs. It will provide you with a baseline point from which you can start providing fitness programs at a level appropriate for the individual. It serves as a standard procedure to minimize your liability risk by outlining any special needs or health issues that a potential client has before starting your fitness program.

Several certifications include courses on how to test and screen an individual for exercise (for example, ACSM or NSCA). As part of your preparation for opening your own business, you should investigate the most appropriate certifications for your needs.

To screen potential clients, you should use lifestyle questionnaires and physical activity readiness forms. Spend time in consultation with prospective clients before providing a service. During a consultation, the issues that you would want clarification on include the individual's current activity level, past experience with fitness, any recent or chronic injuries (such as back or knee problems), any special needs or health conditions (such as heart or cholesterol problems), and the person's goals and objectives. During initial meetings, you should conduct fitness and health appraisals to objectively determine preexisting levels of health and fitness.

The answers you receive during screening will better prepare you in dealing with the person and give you a good understanding of what methods of training will be most appropriate. We'll analyze several lifestyle questionnaires in unit 2 of the online course.

You should also create an advisory board of health professionals to guide you should special issues or concerns arise as well as to help you make important business decisions. Create strategic alliances with allied or alternative health care practitioners to help grow business, heighten your professionalism, and create a referral network for clients. Suggested practitioners include a physical therapist, orthopedist, chiropractor, massage therapist, and physiotherapist. You should suggest that new clients consult with a physician before starting an exercise program, especially beginners. There are specific forms that you might want a family physician to fill out before an individual starts your program.

The main purposes for conducting health screenings are to protect the participant and to protect you. It is one method to ensure safe participation in your programs and is simply one of many steps that you need to take.

Safety

Safety in the use of your facility or in your programs can be best achieved if you keep detailed records and implement structured protocols and policies. To this end, you should include the use of liability waivers and informed consent forms in your business practice. The use of such documents enables you to better screen people for potential health risks before they become your clients. You would be wise to draft these forms with the aid of a lawyer. We'll look at examples of waivers and informed consent forms in unit 2 of the online course.

Legal Consultation

Some lawyers specialize in dealing with personal injury claims. Investing money to have a professional help you draft any waiver or informed consent form would be well worth the investment. You must understand, however, that no such form will protect you if you are negligent in your duty to provide care for your clients. You must therefore have a systematic method in place for screening, programming, and ongoing care for all. These practices would be outlined in your company policies.

Furthermore, consulting a personal injury claims specialist will enable you to gain insight on business owners who have failed and help you to avoid their errors. This type of specialist will also help guide you in areas such as creating policies and determining the most appropriate types of liability insurance to carry. You will be able to outline potential areas of liability and create policies and protocols to help avoid negligence.

Negligence

Within any fitness program, the participant accepts the inherent risk of the activity. If a foreseeable injury is the fault of the program leader or program administrator, then a civil action, usually based on negligence, may be taken to pursue compensation for the damages caused.

Negligence is a form of action in the law of torts (the law of civil responsibility). It is defined as the breach of a duty to exercise due care. There are two kinds of negligence, omission and commission. *Omission* is failing to act or do something that a prudent and reasonable person would do. *Commission* is performing an action in a negligent manner.

For an action to be deemed negligent, three factors must be established:

1. The defendant owed a duty of care to the plaintiff to protect the client from foreseeable risks of injury and dangers.
2. The defendant breached that duty of care. In such cases, a court of law could apply the "reasonable person test," which asks what the average reasonable person would have done in the same situation. The minimum standards of care must be determined, and it must be decided if such standards were breached (the standard involves adequate supervision, instruction, and maintenance of facilities and equipment).
3. The defendant caused damage or actual harm. Harm could be defined as financial loss, pain and suffering (past and future), physical impairment, or damage to or loss of property when the breach of duty was the proximate cause of the injury.

Negligence often occurs because of defective equipment and facilities. As a result, you should arrange service contracts at the time you purchase your equipment. Furthermore, you should keep detailed records of when you purchased your equipment, all of the past service dates, exactly what parts were serviced, and the date of the next service appointment.

Negligence also occurs because of poor program preparation, planning, and administration. This can manifest itself if you have not taken the time to properly train your staff. Every staff member should be instructed on how to teach proper equipment usage. Fault can also arise if you or your staff administer inadequate health screening, poor program design, unsafe assessment of participants, or incompetent instruction (i.e., assignment of activities that are beyond the safe performance level of participants).

With proper screening methods and staff training in place, potential negligent situations are greatly reduced. However, even with excellent training and systems in place, insurance coverage is also an area that you need to be aware of to further protect yourself. Insurance policies cover a wide range of protection, including liability, disability, and contents, just to name a few areas of concern. You should take time to explore your needs and the available options.

Insurance

Although providing proper training and standardized instruction are important, you must also consider insurance coverage. Seeking proper coverage is necessary. You must strive to create the safest environment possible, but unfortunately accidents do happen. The intention in seeking insurance coverage is to protect yourself as fully as possible in case any unfortunate circumstances ever arise (e.g., a client trips over a loose carpet and is injured).

You must also determine the extent of your coverage if you use another individual's facility, train people in your home, or train people in their homes. It would be wise for you to consult with an insurance representative to discuss your needs. If you are currently employed by a facility and are covered under the club's plan, you must be aware of the fact that once you leave the confines of the facility you are no longer covered by their plan. Also of note, if you use another's facility as an independent contractor, there is the possibility that you are not covered by their insurance plan. Always investigate the insurance ramifications before agreeing to work in a location that is not your own. Rather than relying on another's plan, you would be well advised to seek insurance coverage of your own. This will be necessary once you open your own business.

The necessary steps in seeking insurance coverage would also include completing an appropriate professional certification course. Reputable insurance companies require individuals to become certified before approving coverage. Certification bodies that you might want to research could include the National Strength and Conditioning Association (NSCA), the American College of Sports Medicine (ACSM), and the Certified Professional Trainers Network (CPTN). Web site information for each of these certifications is listed in chapter 3.

Once you are certified and open for business, and you start to consult with clients, you must always remember to practice within the scope of your specialty. Here is an example that may help you understand the importance of scope of practice. Recently, a personal trainer who was an employee of a club advised a client about what sort of vitamin supplements to take while exercising. Since the club did not sell any of these supplements, and the trainer was not a certified nutritionist or dietitian, the club's insurance policy was not set up to cover such a situation. The personal trainer went with the client to another location to advise the client on what particular supplements to purchase.

It turned out that the client had an unknown genetic heart problem and died as a result of taking these supplements. The family of the deceased sued the manufacturer of the supplements, the fitness facility, and the personal trainer. The personal trainer was not covered under the facility's insurance policy because the trainer acted outside of the operations of the fitness facility where employed.

The personal trainer did not have separate personal professional liability insurance coverage so did not have legal representation from any insurance company. There is also a good

chance that the club's insurance company is going to subrogate against the personal trainer for any damages brought against the club as a result of the personal trainer's actions.

This is a perfect example of the need for fitness professionals to practice within the scope of their specialty, the need to clarify coverage if employed by or representing another establishment, and the need for personal insurance coverage.

There are several classes of insurance that you might find necessary when you open your own business. You should note that most health and fitness certification bodies work closely with insurance providers to secure discounted rates for their members. Furthermore, if you employ staff, you might have the opportunity to receive coverage for you and your staff at a group rate.

- **General liability**—This is coverage in the event of an accident that happens surrounding the use of your equipment or facility. This could include shower areas, bathroom areas, and even your parking lot. If the parking area is part of your property and you manage the area, then you are responsible to ensure that it is unobstructed (for example, making sure that snow is removed in the winter).
- **Professional liability**—This is coverage specific to the needs of a fitness professional, dealing with issues of programming and instruction.
- **Contents**—This is coverage to protect your investment (computer, office equipment, exercise equipment) in the event of a natural disaster (flood, fire, lightning storm).
- **Disability**—This is insurance to cover you in the event that you injure yourself and can no longer work.
- **Group**—If you employ staff, this type of coverage could cover issues mentioned previously (i.e., professional liability); however, with a group of people covered under the same policy, the rate paid per person would likely be lower.

Preparation is the key. There is no need to rush opening your business. It is better to be patient and take your time to ensure that all of the necessary steps are achieved. Take time to think about your personal vision. After analyzing the components of your business plan, ideas about what to consider when conducting a market survey, financial planning, and liability issues, your personal vision will come closer to reality.

SUMMARY

Now that we have identified the types of business structures (and other aspects of a business plan), we are ready to focus on staffing, programming, and equipment. We will also develop a time line for opening a new fitness business. Your business plan is your guide and your road map. Continue to refer back to it in an effort to ensure that you are on the right track toward achieving your goals. At this point, it might be helpful to look back at the big picture and time line expectations that we discussed at the beginning of this chapter.

Remember that commitment without action is nothing more than a thought. Opening your own business is by no means easy and certainly takes courage. Take your time to create the environment that will continually motivate you to excel. You might want to include a mentoring process while working at another establishment. For example, while working as a bartender you could seek a respected fitness professional who wouldn't mind meeting with you once a week to teach you about fitness business and training operations. Be sure to do your homework. The better prepared you are, the greater your chances of succeeding.

Now that we have come to the end of the chapter, take time to reflect and review. With a little more background knowledge in the areas of marketing, financial planning, and liability, you should go back to the time lines presented at the beginning of this chapter. This would be a great time to start working on your own personal time line goals. Obviously, such a plan would be modified in time as you learn more about what your needs are; however, you need to have a starting point.

The goal is to bridge the gap between your ideal vision and a realistic plan.

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CHAPTER THREE

Business Management

Remember the top fitness trends we discussed in chapter 1? These trends are industry success stories, and they can serve as inspiration as you open your business. Analyzing current trends will help you focus your energy and resources when creating programs, choosing equipment, and hiring staff for your new fitness business.

We just finished discussing some of the advantages and disadvantages of owning your own facility. Whether you own your own facility or not, determining the best type of programs to implement with your clients will be vital to the survival of your company. You will need to choose programs that match your situation and potential market. Although you might have similar clients based on the niche you market your services to, having a variety of programs from which people can choose will enhance your ability to serve and satisfy a greater number of people. One person might feel uncomfortable in a group setting, while another person prefers to train with others present.

Once you have determined what type of programs you will offer, you will need to make some decisions about the best type of equipment to use. For example, if budget is a concern, the option of using portable equipment might be a realistic step for you to take. If you have a larger budget, you might look into renting space and investing in certain pieces of equipment as you start your business.

Finally, in this chapter we will touch on considerations when hiring staff. If your goal is to grow your business, hiring staff might be an eventual situation you will have to deal with.

SPECIAL PROGRAMS

During our discussion in chapter 1, we reviewed certain industry trends. As a reminder, these trends included the following:

- Personal training
- Fitness assessment
- Strength training
- Stretching and flexibility programs
- Mind–body programs
- Core conditioning and stability ball classes
- Group fitness classes
- Nutrition coaching
- Older adult classes

In this chapter, we will focus on categories of potential programs that include some of these trends in an effort to link the trend to a specific program that you can offer to your clientele. We will look at programs for women only and children only, programs using varied types of strength training equipment and methods, gentle fitness programs, and moderate-to-high-intensity programs.

The question of whether these programs take place out of your basement, at a community center, or in your client's home will be based on how you structure your company. Following our discussion of program categories, we will touch on differentiating between programs that you can organize in a facility, without a facility, in a group setting, and on an individual basis. Where and how you offer your programs would in turn be related to each step of your business plan, including your marketing ideas and your budget. While you consider the programs you would like to implement as you start your company, you should always keep your vision in the back of your mind. The decisions you make today will affect the types of programs you implement tomorrow.

Programs for Women Only and Children Only

With the predicted rise in women-only training facilities, you might want to gear your personal training or group training services to this specific population (Fitness Business Canada 2004). A training studio that specifically caters to women will offer a unique appeal to potential clients, especially novice clients. If you do not intend on opening a women-only training facility, you can certainly tap into this market by offering small-group training sessions or large-group specialty classes for women only. For example, Pilates, NIA, yoga, circuit weight training, boxercise, and self-defense classes could all be a perfect fit for a small group or a large group.

Additional specialty classes for children only could be scheduled during your day. The proliferation of video games and technology over the past few years has been a direct cause of kids who are simply not active enough. You might view this as the perfect opportunity to help children regain their health by offering special programs. Swimming, in-line skating, ice skating, mountain biking, circuit training, rock climbing, soccer, Frisbee golf—all these activities geared to kids could be a staple of your business. Although the sky is the limit, you should make fun the most important ingredient of any kids programs. Place less of an emphasis on keeping score, identifying who is winning, or rewarding performances, and place a greater emphasis on participation (e.g., everyone gets a ribbon at the end of the session).

Programs Using Varied Types of Strength Training Equipment and Methods

Core conditioning and Swiss ball training programs have become very popular over the past few years. Other types of training that have become more popular include adjustable cable machine usage; functional training; and speed, agility, and quickness training (IDEA 2003).

Free motion cable machines tend to offer greater variety of exercises in a smaller machine. This type of equipment will enable a person to do the traditional exercises but in a less traditional way. For example, instead of lying down to do bench presses on a traditional machine, an adjustable cable machine would involve the same contraction type (similar muscles involved) but offer a slightly different movement pattern. With the use of cables, the motion of the person's arms would be similar to when using dumbbells but would offer the person greater safety.

The interest in functional training has grown tremendously over the past few years. This type of training tries to match the individual to exercises and movement patterns experienced through the course of daily activities. Selecting an exercise that closely matches twisting your torso and lifting a baby would be an example of functional training.

Speed, agility, and quickness training tends to be more geared toward individuals who compete or play a sport, from the elite level to the weekend warrior who plays tennis once per week. The goal with any such training is to do drills outside of the sport environment to enhance performance within the sport environment. Equipment such as minihurdles, minipylons, and agility ladders could potentially aid you in implementing these programs.

Gentle Fitness Programs

The real intention of offering gentle fitness programs would be to attract beginners to your services. For the most part, you can adapt any mode of activity, class, or exercise session to match the needs of your clients. In some cases, but not all, gentle fitness programs would be offered to a more mature population. The lower intensities and volumes of these types of programs enable people to be active but in a nonthreatening environment.

Moderate- to High-Intensity Programs

Programs that “raise the bar” with intensity and volume would be geared toward the seasoned veterans, which could include the athlete or the weekend warrior. You can also offer such programs to enable your novices to work toward a goal of participating in more advanced classes as they progress. Using more intense programs—when progressed properly—can be a tool to motivate your novice participants.

While these four categories (Programs for Women and Children Only, Programs Using Varied Types of Strength Training Equipment and Methods, Gentle Fitness Programs, and Moderate- to-High-Intensity Programs) offer you options when starting your company, you should also think of the ways you will implement the programs. You need to ask yourself how and where you will offer your services.

Facility- and Non-Facility-Based Programs

For the purposes of our discussion, we will refer to facility-based programs as programs that occur in a building or club. A non-facility-based program would occur outside or at a public location (park or track). A creative fitness professional can implement effective workouts within the walls of a big fitness center or with a simple tubing kit. Understanding what the possibilities are will enable you to be flexible and creative with even the most modest budget.

“Learn to” programs could be a staple for your business. Depending on what kind of facility you have, programs for children, youth, and adults could include learn to stretch, learn to strength train, learn to circuit train, and learn to kick box. As mentioned, you might want to gear a specific program to a specific population, such as women only, children only, or the over 60 population.

In a non-facility-based situation, your programs could include a learn to golf program for older adults, learn to run for women only, or learn to in-line skate for children under 12 years of age. Remember, when conducting activities away from a facility, you need to be aware of the liability issues and be sure you consult with your insurance provider to ensure that you are covered. Beyond your “learn to” packages, other programs that you can consider could include weekly or monthly lunch-and-learn seminars to help educate your clients. Topics could be selected based on feedback from circulated surveys.

Individual and Group Programs

The sky is the limit when you think about the individual or group programs you can offer. Programming should primarily be based on your certifications, interests, and motivation. In the right environment, most programs can be offered in a group setting or on a one-on-one basis.

Yoga

Focus: Yoga emphasizes the mind-body connection.

Variations: Several forms of yoga are used to meet varied needs. Ananda yoga is a classic form that tends to be gentle and appropriate for beginners. Ashtanga yoga tends to be fairly physically demanding and more appropriate for the intermediate to advanced person. Bikram yoga takes place in a room where the temperature is increased significantly and also tends to be more appropriate for intermediate to advanced people. With at least a dozen forms of yoga, you can be sure to find one that is suitable to your teaching style and your clients’ needs.

Equipment: For the most part, the only equipment needed for yoga classes are floor mats and a comfortable space to place them for participants. A floor space of 40 square

feet (3.7 square meters) is ample room. The learning experience during some forms of yoga would be enhanced with mirrors on the wall.

Requirements: You would be wise to hire only instructors who are certified to teach. Dozens of certifications are available, so you will need to do a little homework to find the most reputable certifications and instructors in your area.

Cost: The cost to run yoga classes can be reasonable because you do not need expensive equipment. The greatest expense initially might be becoming certified (if you intend to teach) because certification courses can cost anywhere from a few hundred dollars to a thousand dollars.

Pilates

Pilates was originated by a gentleman named Joseph Pilates in the early 1900s. It was created to help war veterans who were suffering from influenza recover from their illness.

Focus: One of the main objectives of Pilates is to encourage people to focus on the connection between the mind, body, and spirit.

Variations: Pilates can be geared toward the novice, intermediate, or advanced participant (and can be done with or without equipment).

Equipment: Pilates can be done with equipment (the rack and the reformer) or without equipment (on a floor mat), and it can vary from gentle to fairly intense.

Requirements: Offering Pilates in a facility is the best way to provide a safe, controlled environment. The workouts can easily be tailored for individuals or groups, and you should have a certified instructor teaching the classes.

Cost: Mat Pilates is similar to yoga in terms of cost requirements. However, if you decide that you need any of the Pilates-specific equipment that was previously described, purchasing some of the equipment can be costly.

Circuit Training

Focus: The goal of most circuit training routines is cardiovascular fitness, often with a secondary focus on resistance training. An instructor can complement the workout with several types of activities that meet the needs of the participants.

Variations: You can include cardiovascular and resistance training modalities.

Equipment: Circuit training can be done with or without equipment. If you do not have any equipment, you can easily create a free body circuit workout. This type of training would use the participant's body weight as the only form of resistance. In some cases, a simple skipping rope could be effectively used in combination with free body activities. You can also use inexpensive equipment such as medicine balls, Swiss balls, and tubing kits.

Requirements: Although most circuit workouts are better conducted in a facility (to be able to control the environment), attempting circuit workouts outdoors is a realistic option. For example, you can easily take a client outside to do a walking circuit. After every 3 minutes of brisk walking, you can have your client do a free body activity (squats, push-ups, lunges, or even chin-ups if there is a school playground close by).

Cost: Teaching individuals and teaching groups can be very cost effective. However, if you open your own facility, you can offer circuit workouts using some of your equipment to offer clients variety in training.

Bird Watching

Bird watching can be done through walks in parks or along nature trails. It is an extremely popular form of exercise, especially among the more mature population. You could also organize a seniors' fitness camp where clients perform exercises around a park or lake.

Focus: The focus in such a program would be to enjoy the outdoors, be environmentally friendly, and socialize.

Variations: If you have a fairly fit population, you can hold team relays with the goal to see as many different birds as possible in a given time frame. If you have a group of children, you can challenge them to try to see as many different types of animals (raccoons, squirrels, frogs, and so on) as possible in a given time frame.

Equipment: The only equipment needed would be appropriate clothing and gear for the participants (i.e., hat, walking shoes, map, water bottle). You might want to eventually invest in binoculars for clients and even a field guide of animal life in your area.

Requirements: You might want to suggest to participants that they explore fields and nature walks with partners and friends. Safety must always be a concern.

Cost: Other than binoculars and guides, the cost to run such a program would be minimal.

Hiking

Hiking tends to be more intense than simply walking because it usually involves uneven terrain and changes in elevation.

Focus: The focus (like bird watching) would be to enjoy the outdoors, be environmentally friendly, and socialize with others.

Variations: With the increase and growing popularity of adventure racing over the past few years, you might want to challenge the fitter participants by offering an adventure race theme. Your adventure race could include hiking, biking, skiing, canoeing, or snowshoeing for variety. Such a race could be organized for individuals or teams.

Equipment: Similar to bird watching, proper footwear, a hat, and a water bottle would all be a must. It is always a good idea to carry a cell phone too, just in case of an emergency.

Requirements: If such hikes involve uneven terrain and elevations, participants would have to be beyond a novice level.

Cost: The cost would be minimal to run such a program.

Fitness for Seniors

Any of the previously described programs can be specifically marketed toward seniors. One program you could offer is mall walking, which is becoming very popular. In colder climates, group mall walking allows seniors to still be active during less favorable weather conditions and unstable outdoor footing.

Focus: The focus is on activities specifically targeting a more mature population, but this does not necessarily mean a less fit population.

Variations: Your fitness for seniors program could also include weekly golf conditioning, flexibility training, functional training, tennis conditioning, and so forth.

Equipment: Equipment needs would be based on the programs you select as most appropriate for your clients.

Requirements: You might want to consider certain classifications for your groups, which could include people over 60 years old, men only, or women only.

Cost: You could run excellent programs for seniors without any requiring a large financial investment. Because of the growth of the baby boomer population, the fitness industry has also seen an increase in certifications with seniors in mind.

Spin Training

Spin training can be expensive if you are required to purchase the bikes. Maintenance can also be costly because this type of equipment needs constant care.

Focus: Indoor bike training is typically geared toward an intermediate to advanced fitness level.

Variations: There are several different types of spinning programs, all of which use different types of indoor bikes. You should investigate which program and equipment would be most appropriate for your clients.

Equipment: In addition to the indoor bikes, you would need an appropriate facility (with proper ventilation) and a good sound system because these types of classes are done in a group setting with music.

Requirements: A certified instructor to teach all classes is a must.

Cost: Although several different types of bikes are on the market, almost all of them are costly. You would need to have a facility, the bikes, the instructor (if not you), and a service contract for the bikes.

Aerobics and Step Classes

Aerobics and step classes were once staples of all fitness centers, and they can still have a place in a new facility. Although popularity is not nearly as high as it was in the 1980s and 1990s, you can easily modify the level of intensity to meet your clients' needs.

Focus: Cardiovascular training would be the main objective, but these classes can also include a resistance training component (see body pump).

Variations: Classes of this nature can be done in a variety of different ways geared toward a variety of different needs. For example, you could have low- to high-impact classes, classes that focus only on the legs, classes that focus on the core, and so on.

Equipment: Typically, you would need steps and risers (used to increase the height of the step) so that each participant can vary the intensity. A beginner might not use any risers, while someone more advanced might use three risers.

Requirements: A certified fitness instructor is a must. The equipment you select would be based on the needs of your participants and the experience level of your instructor. These types of workouts do not typically take place outdoors; therefore, you would also need an appropriate facility with a proper sound system.

Cost: Purchasing the equipment could be costly depending on how many people you intend on having in your classes. This would also be based on the size of your facility.

Body Pump

Body pump is similar to a group aerobics class but includes using a step (as a weight bench) and a barbell.

Focus: The primary focus would be resistance training, with a secondary focus on cardiovascular training. Typically, people who gravitate toward such a class are looking to save time and get a bigger bang for their buck.

Variations: Because the amount of weight can be varied, it is realistic to have individuals of different strength capabilities in the same class.

Equipment: You would need either body bars or barbells with plate-loaded weights.

Requirements: This type of class requires an appropriate facility, a good sound system, and a certified instructor. In addition to the facility, you would need an appropriate area to store the equipment when not in use.

Cost: Because this type of training requires barbells and weights, the cost can be high based on how big your facility is and how many participants you want to accommodate.

Kick Boxing, Boxercise, and Self-Defense Instruction

These have increased in popularity because of people seeking more challenging and intense exercise outlets. This type of training is typically appealing for the person with a little bit of a background in fitness. The exception would be self-defense classes, which you could easily market for a novice or someone who is not interested in a typical fitness class.

Focus: The objective of offering these types of programs is essentially variety for the more fit person (kick boxing, boxercise) and an introduction to your services for beginners (self-defense classes).

Variations: Each of these types of activities offers an endless array of variations based on your participants. You might want to try such programs in block sessions (for example, a 6-week self-defense program).

Equipment: Each of these types of activities can be done with or without equipment. In the case of kick boxing and boxercise, shadow boxing would offer participants a great workout and not require you to purchase gloves and bags for each participant.

Requirements: As with all programs, you would need to have a certified instructor (if not you).

Cost: You could run excellent group or individual classes without equipment. If you want to purchase gloves, headgear (if sparring), heavy bags, speed bags, or even a boxing ring, then things can get very expensive.

Bosu and Swiss Ball Training

Bosu and Swiss ball training are both becoming very popular. The purpose of training using these pieces of equipment is to increase balance and core strength. You must be certain that your clients possess the necessary base skill and strength to perform movements with such modalities.

Focus: The objective of this type of training is core stability and improving balance.

Variations: With both the Bosu and a Swiss ball, there are literally hundreds of variations that you can use to ensure that the activity matches the needs of the participants.

Equipment: A Bosu is similar to a Swiss ball, but it looks as if it has been cut in half. With a Bosu, you have the ability to use either side.

Requirements: A facility (a controlled environment) is the most common place you would use this equipment, but kids might find it more fun to train outdoors. You would need to have a certified coach or instructor and enough Bosus and Swiss balls for every one to three participants (it is possible to conduct a class where people share equipment).

Cost: Based on how many pieces of equipment you need, it can get costly, especially if you want to have one ball for each participant.

Pre- and Postnatal Fitness

These programs for soon-to-be and new mothers are also in greater demand. Special care does need to be taken, and often the greatest determining factor of intensity is the past and current level of fitness of the mother.

Focus: You can offer classes for the mom-to-be, or you can offer exercise options for new mothers.

Variations: Some facilities offer classes where moms can bring their babies with them.

Equipment: It is safer to have these programs in a facility and to have a floor mat for each participant.

Requirements: Certifications in this specialty are also available and are a must when dealing with this population.

Cost: A facility with proper floor mats and a certified instructor would be your major costs.

Fitness Testing

Fitness testing can be done with elaborate testing equipment or with a simple step. If you are dealing with a group, you can use any number of field tests outlined by organizations such as the National Strength and Conditioning Association (NSCA).

Focus: The objective would be to evaluate the current level of fitness of your clients.

Variations: Testing can be extensive or very simple. It would be based on the population you are dealing with.

Equipment: Your needs would be based on the population you are testing. Simple equipment can include a scale, calipers, an aerobic step, and a measuring tape. More elaborate testing would require a treadmill, direct aerobic capacity testing equipment, and an Olympic strength training area.

Requirements: A certified conditioning coach or personal trainer is required.

Cost: The wide range of options can result in testing equipment that is very reasonably priced (a few hundred dollars to thousands of dollars).

Regardless of the program (or programs) that you select, you must take the appropriate steps for education and certification in the specific areas. Be creative yet be sure you prepare yourself to provide your clients with programs that offer quality, safety, and up-to-date methods of training.

Although these options suggest that you can offer programs in and outside a facility, your goal may be to eventually open your own facility; therefore, we should take the time to discuss a few relevant issues. First, you should consider how long your planning stage should take. Next, consider your need for a small or large studio. Finally, if budget is an issue, consider a transitional option of using portable equipment.

FACILITY DESIGN NEEDS

Facility design, like all other aspects of starting a new fitness business, requires research and planning. According to the NSCA, the development of a new large-scale facility typically takes up to 2 years and involves the following four phases: predesign (6 months), design (3 months), construction (12 months), and preoperation (3 to 4 months). For the purposes of our conversation, we will refer to the development of small to large training studios with one-on-one training, partner training, and small-group training in mind. We will also discuss issues to consider when purchasing equipment for your facility as well as the option of using portable equipment if you do not plan to open a facility.

The initial step in designing a facility is to determine the size. This would have already been done in conjunction with your business and financial planning. The challenge is determining the facility size in conjunction with your budget, desired location, potential clients, and expansion opportunities. It may be difficult to picture that one day you might expand and grow beyond your original facility. Nevertheless, when leasing or purchasing a location, you should give thought to your eventual expansion needs. Do not overextend yourself financially, but do not locate in a facility that is too small or does not have room for growth. Remember, if you have to relocate, it will cost money; moving is always expensive. The challenge is finding a balance between current needs and future goals.

Once you have settled on the size of your facility, you must consider the environment. What type of floor will you install? If you intend to offer aerobics classes, a sprung wooden floor would be most appropriate. If you will not have a wooded aerobics floor, will you install carpet? Carpet looks better initially, but it is harder to keep clean compared to hardwood flooring. Remember to purchase something that will wear well over time. Will you include rubberized flooring under your strength training equipment? Rubberized flooring, like any carpet selection, offers you several varieties to choose from, but the disadvantage is that it can become costly. Which floor is within your budget? Will you install a wall of mirrors or only include mirrors around your resistance training equipment? Typically, you would want to keep mirrors away from your cardio area to reduce the amount of moisture and perspiration. A cost-saving and safety measure if you plan on installing mirrors is to start the mirrors 20 to 24 inches (50.8 to 60.9 centimeters) off the floor. This will decrease the likelihood of breakage caused by falling or rolling equipment (NSCA 2000). Will you include electrical outlets in the walls or on the floor for cardio equipment? Installing outlets in the

floor gives you little flexibility down the road, and with the use of power bar extensions, it might not be necessary.

Beyond the environment issues, the last two areas that you would need to consider are climate control and amenities. It is preferable to have a centrally controlled thermostat where you have access and control. In some commercial building complexes, tenants do not typically have the ability to control the temperature or open windows. In an exercise facility, you will need to have the temperature lower than other businesses. Also typical in most commercial buildings is the common use of washroom facilities. You might find it necessary to install private washroom and shower facilities. In a small- to medium-sized facility, you might not have the need for separate men's and women's change areas but will need at least two showers and a private washroom area.

All of these facility design issues should be considered in conjunction with selecting the appropriate equipment for your facility.

SELECTING THE APPROPRIATE EQUIPMENT

Determining what type of equipment you will need for your facility is always a challenging step. At this point, we are not talking about quantity, which would be determined by the size of your facility; we are talking about quality and type. Important factors to consider when purchasing equipment include the types of people you will be training, equipment purchase costs, equipment leasing opportunities, warranties, space requirements (for the equipment and the user), maintenance requirements, service contract needs, and equipment availability.

Although your eventual goal might be to open your own facility, if that is not currently a realistic option, you can consider using portable equipment as a first step.

Virtual or Portable Studio

For many trainers, a portable gym is a viable first step to purchasing or leasing space to hang their shingle. Purchasing portable equipment is much less costly than the financial investment needed to open a studio. With a portable studio, you can offer one-on-one and partner conditioning, teach yoga, and offer Pilates mat classes with minimal expenses.

You should recommend that clients purchase the equipment they need for their homes, but if that is not an option, having portable equipment will give you the ability to work in homes with minimal equipment as well as offer more variety. Products such as Swiss balls, tubing kits, medicine balls, and skipping ropes are portable and affordable. You can also easily transport a portable bench. Portable benches have been on the market for a few years and are constructed in a similar fashion to massage tables. They fold for easy transport and storage. Also on the market are portable dumbbell systems, which can easily be transported in the trunk of your car.

If you have the goal of owning your own facility, purchasing portable equipment enables you to start training people while keeping your expenses low. If you open your own facility, you can effectively use portable equipment to help you during the transition period, and you can add larger equipment one piece at a time as your business revenue increases.

Whether you are purchasing portable or fixed equipment, you should investigate the manufacturers of any equipment you are considering purchasing. Do they have a good reputation? To determine the answer, you should speak with friends in the industry, or even question experts at trade shows and conferences. How many years have they been in business? Do they have a showroom where you can try the equipment? Whom have they supplied recently? What kind of ongoing customer service do they provide? Do they import equipment from another country or is it made locally? If it is not made locally, the purchase price might be a little higher compared to a local manufacturer. How difficult or easy is it to order replacement parts if required? Again, in this situation if the equipment is made in another country, it might take longer to receive needed parts. Are the manufacturers trustworthy? Not only should you be aware of who the manufacturers are, but you

should also find out as much as you can about the specific equipment store supplier you will be dealing with. Similar to trying to create relationships with an accountant, lawyer, and bookkeeper, you should also try to foster a relationship with an equipment dealer in your area.

There are also several questions that you should ask your supplier about specific pieces of equipment. How long is the warranty? Which parts are covered under warranty and which parts are not covered? What is the typical life span based on low-, moderate-, and high-volume usage? Most equipment companies have different models based on projected usage. For example, a fitness club would purchase heavy commercial or industrial equipment, while a studio owner would likely purchase light commercial or residential models that tend to be less expensive. How long has the specific model been in production or is it a new model? Newer models will cost more, so if you are on a tight budget, you might want to invest in a model that is a year or two old. If you do investigate an older model, you might want to lease the equipment with the option to purchase a newer model down the road. Most equipment companies will have leasing options, which could also include a lease-to-own option if that better suits your needs. Fitness equipment depreciates (value decreases over time) just like a car, so speak to your accountant to determine if leasing is a better option for you. Furthermore, you should find out if the manufacturers back and service their own equipment. Are there any special electrical outlet needs (for example, some higher end treadmills require high-voltage outlets)? You should also be aware of excess noise on some treadmills, especially when someone is running on them.

Once you have an idea of the type of equipment you'll need for your fitness business, you should determine the space requirements for creating a studio. General rules should be followed for safe equipment use and arrangement.

Equipment Needs Related to Space

The amount of floor space you have would dictate the number of people you can safely accommodate for classes plus the type, size, and number of exercise equipment you can purchase.

Floor Space (Equipment Footprint)

Equipment such as traditional multistation units will take up the greatest amount of space, requiring as much as 100 to 150 square feet (9.3 to 13.9 square meters) of space, or an area 12 by 12 feet (3.7 by 3.7 meters). Next, equipment such as squat power racks and Smith machines (a squat unit with a fixed bar that only moves vertically) would require a space of just over 70 square feet (6.5 square meters), or 8.5 by 8.5 feet (2.6 by 2.6 meters). Elliptical trainers and treadmills would be next on the list, requiring roughly 50 to 60 square feet (4.6 to 5.6 square meters) of space, or an area 12 by 5 feet (3.7 by 1.5 meters).

Safe Distance

Based on your goals for facility usage and the general rules for safe distances between equipment, you must allow a clearance zone of 2 to 6 feet (60.9 to 182.9 centimeters) between equipment. These numbers do not simply represent the size of the equipment but also take into consideration proper safety zones. For example, a treadmill that is 7 feet (213.4 centimeters) long and 3 feet (91.4 centimeters) wide might have 1 foot (30.5 centimeters) of clearance in the front and on each side plus 4 feet (121.9 centimeters) of clearance at the back. Your space requirements for a 7-by-3-foot treadmill would then actually be 12 feet by 5 feet (365.7 by 152.4 centimeters). Another example worth mentioning would be that of a simple workout bench. A bench might be 4 feet by 1.5 feet (121.9 by 45.7 centimeters), yet you should have at least 2 feet of clearance top and bottom, plus at least 3 feet of clearance on each side. This amount of clearance will enable clients to perform exercises without impedance and enable them to walk around the equipment safely. Therefore, the space requirements for a simple bench would actually be 8 feet by 7.5 feet (243.8 by 228.6 centimeters), or 60 square feet (5.6 square meters).

Ceiling Height and Head Clearance

You must also give thought to how tall certain pieces of equipment are. If you plan to open a studio in your basement, certain resistance training equipment would require that you have at least 7 to 8 feet (213.4 to 243.8 centimeters) of head clearance. If you intend on having clients do chin-ups on a power rack, your need for head clearance might be even greater. With cardio equipment such as treadmills, you should determine your required head clearance based on a client over 6 feet (182.9 centimeters) tall using your treadmill at a high elevation.

Having an understanding of how much space certain pieces of equipment require will better enable you to select the proper equipment for your studio.

The following are three examples of sample studios of varying size. This is your chance to picture your dream scenario. The studio sizes and equipment pieces mentioned are simply examples.

Small Studio

Creating a small training studio might be the perfect situation for your needs. Using a space that is approximately 250 square feet (23 square meters), it is possible for you to create your training area in the basement of your home (see figure 3.1). This size studio would allow you to implement one-on-one personal training and partner training. Figure 3.2 lists equipment typically found in small-sized studios.

You can complement your simple studio with inexpensive equipment purchases, including tubing kits, body bars, medicine balls, and Swiss balls. This allows you to offer your clients complete strength and conditioning workouts. Give some thought to space-saving storage options for this equipment to save valuable training space (e.g., netting mounted from the ceiling for Swiss balls).

In this studio, you would also have the ability to establish a small stretching area. Options for usage of the stretch area include teaching one-on-one or partner specialty classes such as mat Pilates and yoga.

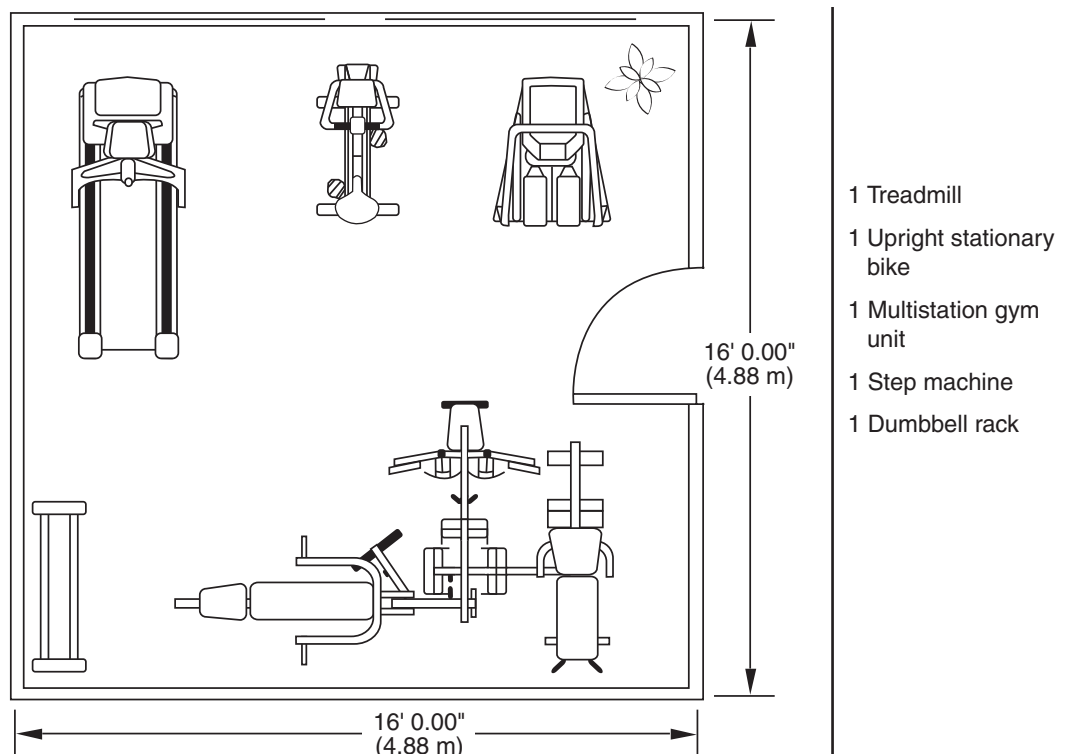


Figure 3.1 Sample layout of a small-sized studio.

Reprinted, by permission, from S. Lee and S. Persad, 2003, *Business strategies for personal training* (Toronto: Certified Professional Trainers Network). Illustration by Vael Lindsay.

Small-Sized Studio = 225 sq. ft. (21 m²)

- 1 multiangle bench
- 1 dumbbell rack with 1 pair each of 5 to 50 lb. (2 to 23 kg) dumbbells
- 1 high/low pulley system
- 1 stationary bike
- 1 treadmill
- 3 floor mats (4 × 2 ft. [1.25 × 0.60 m] each)

Figure 3.2 Small-sized studio equipment list.

Medium Studio

A medium-sized studio would enable you to comfortably train partners and small groups. In this space, four to six people could train comfortably. You might consider having a slightly larger area—8 by 8 feet (2.4 by 2.4 meters)—dedicated to stretching and specialty classes as in the small studio example. If you decide not to dedicate a specialty area in this studio, the space would support one or two more pieces of equipment (see figure 3.3). Figure 3.4 lists an alternate example of equipment typically found in a medium-sized studio.

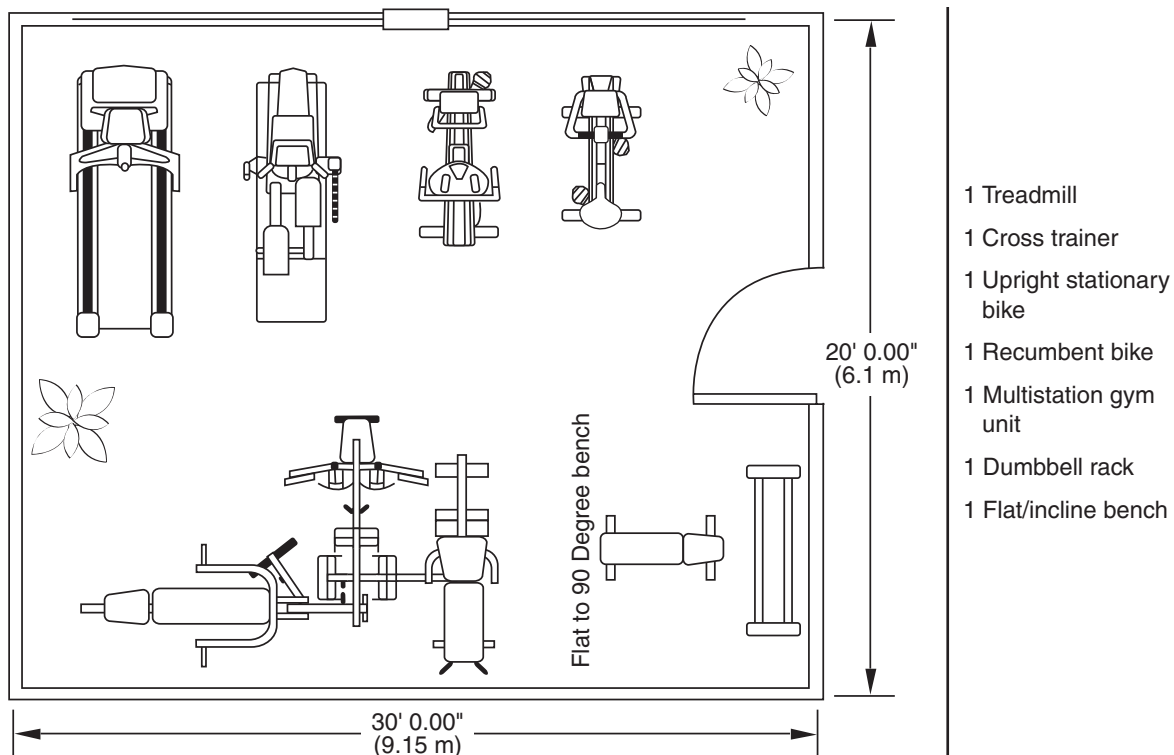


Figure 3.3 Sample layout of a medium-sized studio.

Reprinted, by permission, from S. Lee and S. Persad, 2003, *Business strategies for personal training* (Toronto: Certified Professional Trainers Network). Illustration by Vael Lindsay.

Medium-Sized Studio = 600 sq. ft. (56 m²)

- 1 free cable functional gym unit (2 stacks)
- 1 dumbbell rack with 1 pair each of 5 to 50 lb. (2 to 23 kg) dumbbells
- 1 stationary bike
- 1 treadmill
- 1 elliptical trainer
- 1 step machine
- 2 multiangle benches

Figure 3.4 Equipment needs for a medium-sized studio.

The creation of a medium-sized studio might eventually require you to hire additional staff to maximize revenue potential. You and your team could coordinate a timetable to ensure your studio is busy most hours of the day. Your costs and expenses do obviously increase with a medium-sized studio; combining your skills with a business partner or another trainer in your area is one strategy to help recoup your investment.

Large Studio

With greater financial capabilities, you might decide to create a large training environment. This large studio includes a separate multipurpose area where you can teach specialty classes. In this well-equipped training studio (see figure 3.5), you could comfortably support 15 to 20 people at the same time. Roughly 8 people would be the maximum capacity in the multipurpose room for an aerobics class, and the balance could be training in your studio. Note that this design does not include separate office space or a testing and consultation room, both of which might be necessary when consulting with new clients.

You must keep in mind that the larger your facility, the greater the need for more amenities to complement the training area. For example, more washrooms and shower facilities will be needed as well as separate change areas for men and women.

Large-Sized Studio = 2,500 sq. ft. (230 m²)

Multipurpose area 25 × 25 ft. = 625 sq. ft. (7.6 × 7.6 m = 58 m²)

1 multipurpose gym unit (2 or 3 stacks)

1 high/low pulley system

1 chin/dip station

1 total hip machine

1 leg press machine

1 Olympic bench press machine

1 Smith machine

1 squat power rack

2 Olympic bars

1 EZ curl bar

Minimum 485 lb. (220 kg) of weights in plates (2 × 2.5 lb. [1.1 kg], 4 × 5 lb. [2.25 kg], 4 × 10 lb. [4.5 kg], 4 × 25 lb. [11.25 kg], 4 × 35 lb. [15.75 kg], 4 × 45 lb. [20.25 kg])

2 weight plate trees

2 dumbbell racks with 1 pair each of 5 to 50 lb. (2 to 23 kg) dumbbells

3 multiangle benches

2 stationary bikes

3 treadmills

3 elliptical trainers

1 step machine

1 rowing machine

Figure 3.5 Equipment needs for a large-sized studio.

Certainly, in this large studio example, you would need staff to help you ensure safe usage of all equipment at peak times. You do not want to put yourself in a situation where you are overworked and tired while attending to the fitness needs of clients. Hiring the right staff members will help reduce your workload and free you to spend periods of time working on your business (i.e., marketing, administration, invoicing, and so on).

STAFF NEEDS

As your business grows, the need for help will be inevitable. Hiring employees is not an easy task by any means, and there are dozens of methods, theories, and ideas on the matter. At the conclusion of an interview process, you will often find that the most qualified person

is not necessarily the best person for the job. So many factors must be taken into consideration. Yes, education is important, but equally important are issues such as the person's character, ability to communicate, interpersonal skills, and work ethic. Your highest priority should be determining if the person can be trusted and can represent your business with the highest levels of excellence and integrity. You have to feel confident that a person can be trusted with your clients, trusted as a representative of your company name and identity, and trusted with billings and financial issues.

Hiring Staff

During our discussion of roles within the fitness industry in chapter 1, we talked about the need to be a manager. As a manager, you have to recognize the appropriate time to consider hiring staff. Hiring staff must coincide with financial stability whereby any new staff members will receive either a flat fee or payment based on a percentage of the revenue they generate. For example, if you hire a yoga instructor for your facility, you might want to give the instructor a percentage of the revenue generated from the classes taught.

Typically, instructors teach at several facilities and are not full-time staff but instead contract workers. Hiring contract staff might be an appropriate transition, or permanent practice, for your company. With the hiring of staff, you can also start to delegate responsibilities to ensure that you do not burn yourself out. By delegating certain responsibilities, you will be able to spend more of your time on other necessary business development tasks, such as marketing, administration, and planning for the future. You will have to be very clear, however, with any potential staff members what your expectations are of them.

Employee Standards and Qualifications

You must establish standards of conduct and performance for your staff. Staff members are constant representatives of your company, and they must be trained to project the image you desire for your company. During the creation of your company policies and standards, you should also give thought to policies for your staff. This would include specific certifications that your staff will have to complete before you hire them.

There are literally hundreds of fitness certifications. You would be wise to explore certifications that you do not possess to ensure that you are an informed employer. Spend time researching the certifications that are substandard and the certifications with the greatest credibility. For example, currently only two fitness-related certification bodies are recognized by the NCCA (National Commission on Certifying Agencies). One is the NSCA (National Strength and Conditioning Association), which offers certifications for conditioning coaches and personal trainers. The other recognized certification body is ACE (American Council on Exercise).

In addition to these two certification bodies, the following list includes Web sites for other certification bodies you might find interesting:

National Strength and Conditioning Association (www.nsca-cc.org)

American Council on Exercise (www.acefitness.org)

American College of Sports Medicine (www.acsm.org)

Aerobics and Fitness Association of America (www.afa.com)

Canadian Fitness Professionals (www.canfitpro.com)

Certified Professional Trainers Network (www.cptn.com)

National Academy of Sports Medicine (www.nasm.org)

National Exercise and Sports Trainers Association (www.nestacertified.com)

Fulfilling Expectations

Before hiring an employee, you should create a job description. Identify the education, qualities, and skills you are seeking in an employee. Also list the general and specific responsibilities the person will have as part of your company. Remember, in chapter 1 we discussed how the trademarks of a fitness professional are certification and professionalism. Any job description that you create should focus on these two areas (see figure 3.6).

ABC Personal Fitness Center

Position Title

Personal Fitness Trainer

Reports to

Mrs. Smith, owner of ABC Personal Fitness Center

Education

Fitness-related university degree or college diploma from a recognized institution or a combination of education and experience

Certification

ACE, NSCA, or CPTN certified (proof required)
Current CPR, emergency first aid, and AED certification

Experience Required

Minimum of 5 years experience as a personal trainer
Proficient in training tennis, badminton, and squash players

Skills and Abilities

Well organized
Accurate, attentive, detail oriented
Excellent communication skills
Strong computer application skills (Microsoft Word®, Excel®)
Comfortable working with clients one on one and in a small-group setting
Comfortable working with functional trainers and Swiss balls

Additional Functions and Basic Duties

Assumes responsibility for the maintenance of the fitness area to ensure it is clean and well kept
Must submit monthly revenue flowchart for training sessions

Scheduling

Available to work three mornings per week (Mon., Wed., and Fri., 6:00 a.m. onward)

Compensation

50% of all revenue generated

All interested parties please call 1-800-ABC-FITT

Figure 3.6 Sample job listing.

To advertise your job listing, you should use industry trade magazines as opposed to general publications. Also realize that just as word of mouth tends to be the most effective method for attracting new clients, similarly, word of mouth is extremely effective in attracting job applicants. Before you book interviews, ask applicants to send you a copy of their resume. Speaking on the phone is a nice initial way to get to know someone, but before taking the time to meet, you should ask the person to mail or fax a resume at the conclusion of your phone conversation.

Based on the job description listed previously, here are two sample resumes (figures 3.7 and 3.8). As you read the resumes, determine which of the two you think better matches the job description.

Resume

John Smith, BSc, ACE certified personal trainer
3 Baseball St.
New York, NY
Home phone: 123-456-7890
E-mail: jsmith@myemail.com

Objective

I would like to work in a small- to medium-sized facility to better enable me to get to know everyone.

Professional Profile

Excellent customer service and support skills
Proven business development and sales skills
Planning and time management skills
Accustomed to working in a team environment
Goal oriented and a strong problem solver
Certified personal trainer for 6 years

Employment History

Self-employed as a computer programmer—January 2005 to present
Real Fitness—January 2002 to December 2004
Unreal Fitness—January 1999 to December 2001

Education and Certifications

University of Upnorth—Graduated BSc computer science 1998
ACE certified personal trainer—1999

Interests

I enjoy continuing educational opportunities in the form of certifications, courses, and conferences. I also enjoy hiking, playing soccer, and riding my bike.

Figure 3.7 Sample resume 1.

Resume

Hanna Mary

I am a certified aerobics instructor and a personal trainer. I would like to work at your facility because it is within walking distance from my home. My husband needs the car to travel to work and drop our children off at school.

Education

Community City College Wellness graduate 1992

Certified aerobics instructor 1993

Certified personal trainer 1995

Certified Spinning instructor 1996

Past Employment

Bob's Auto Service Mechanic 1987 – 1990

- Apprentice mechanic
- Serviced cars—including oil changes, filter checks, wheel alignments

Unscary Monster Gym Personal trainer 1993 – 1997

- Responsible for one-on-one training of members

University Center Director of aerobics staff 1997 – 1999

- Responsible for hiring and training aerobics staff
- Budget and financial administration
- Responsible for marketing classes to students

Scary Monster Gym Personal trainer 1998 – present

- Responsible for one-on-one training of members
- Responsible for wellness screenings of members

Interests

Spending time with my two children and cross-country skiing
References available upon request, and I am available to train your members during the lunch hour and mid afternoons.

Figure 3.8 Sample resume 2.

At first glance, both candidates seem excellent. It would appear that John better fits the bill from a time perspective. He is currently self-employed, so he might have a flexible schedule. Remember that your job description states that you need someone to be available in the mornings during the week. Hanna specifically mentioned that she is available at lunch and the afternoons. Furthermore, John obviously has computer skills, which you require. Here are some concerns regarding each candidate.

Concerns with John—After graduating from his university, he apparently could not get a job as a computer programmer and started doing personal training as an alternative. You can speculate about this because of the degree he graduated with, the year he became a certified trainer, and the fact that he recently started his own computer consulting business. During any potential interview, you would have to determine his level of commitment. This does not have to be done in person but can be addressed in a follow-up phone conversation. Ask pointed questions such as “What do you want to be doing 3 years from now?” or “Are you interested in fostering personal training as a long-term career, and if so, full time or part time?” Although he seems to be a good candidate on paper (based on time availability), you should also try to hire the person who will be more committed to your team. Also, John does not have a fitness-related degree or diploma. Your job description specifically states that a degree or diploma is required.

Concerns with Hanna—She might not be available in the mornings. She also might not have the computer skills that you require. Furthermore, raising children is a full-time job in and of itself; if your need for the trainer grows, she might not be flexible enough to help in that capacity. She does live close by, and with young children of school age, it is likely that she will not be moving anytime soon.

Neither John nor Hanna seems to perfectly fit the bill based on your job description. Based on the concerns listed, you would be wise to conduct phone interviews first before taking the time for personal meetings. At the same time, you will still be receiving resumes of potential candidates who might be better suited for your job opening.

After reviewing both resumes and speaking to both of them on the phone, you discover that Hanna does have a little flexibility. Her husband would be able to drop the kids off at school in the mornings, which frees Hanna to work. At that point, you decide you would like to spend time with Hanna in an interview. After all, she does have a fitness-related degree, has excellent certifications (with variety), and lives close to your facility. Any necessary computer skills that she may be lacking are secondary, and you feel that these can be taught.

Once you reach the stage of interviewing, you might find it valuable to have another person present during the process. Either a friend or associate can help during the screening process and can provide feedback on relevant issues that might have escaped you. During any interview process, you should avoid certain things in an effort to be politically correct and to avoid insulting applicants. For example, rarely should you question individuals about their nationalities or religious affiliations if such issues are not relevant to the job. Exceptions would occur if you require employees to speak a foreign language; however, you must determine the skills you require of an individual and focus on those needs.

In addition to several books on business development, the International Self-Counsel Press Ltd. has a book on how to hire staff that you might find useful in guiding you during your staff hiring process. The challenge will be to find the right person for the job. Again, the right person for the job might not mean the most qualified person. Any staff member that you hire must be able to develop a rapport with your clients and with you. You might find that the best person for the job does not possess any of the certifications you require. Therefore, you might hire an individual and give that person a period of 3 months to obtain a specific certification. The suggestion here is that you must be prepared to be flexible.

Once you hire staff, no matter how excellent they are, you will have to go through a period of training them to meet expectations. For the most part, if they are able to learn on the job, that would be an ideal situation for you. Part of the hiring and interviewing process is screening for people who you think will catch on fast to what is required of them. If a minimal amount of training is needed, you will be able to spend more time on other pursuits.

Training

Training your staff is for all intents and purposes a mentoring process. You must lead by example. Remember, not only do you educate, mentor, and manage your clients, but you also fulfill the same roles for staff members. During the training process, you must allot time for anyone new to your company to learn his or her responsibilities. You can expect an individual to take 1 to 4 weeks before becoming acclimatized to a new position.

You should also have evaluation tools in place to determine if someone is fulfilling his or her roles. If someone does not meet your expectations, you need to have a method in place (including time lines) for an evaluation process to occur. Sadly, one aspect in hiring and training staff is often the reality that you might have to fire someone. The most effective way to do this is by being as objective as possible, and this can only occur if you have an evaluation tool. You have to remove phrases such as “I feel” or “I think” from your vocabulary and replace them with “You did” or “You did not.” For example, if one role that someone must fulfill includes cleaning equipment on a daily basis, you should have a tracking form to provide a record of whether this task is completed.

The case study on page 64 provides you with an opportunity to think about how you would approach the same situation. This is an example of what employers have to face from time to time.

Once you have successfully trained your new staff members, you should give consideration to how you will manage them. While training typically occurs during the first initiation period, appropriate management of staff will be necessary to ensure happy long-term employees. Not only do you want to ensure that you have happy employees, but you also want to try to create an atmosphere where staff members are enthused to be in the industry. For example, fitness professionals who are not keen to be in the industry see maintaining their certifications as troublesome. To maintain any of the certifications mentioned, a person has to achieve certain CECs (continuing education credits) or CEUs (continuing education units). Keen fitness professionals will see this as a great opportunity to continue to grow in an effort to become better professionals. Such staff will require less management from you and again help you create an environment of happy team members.

Managing

Any number of issues can be discussed regarding how to manage staff, but the bottom line is that you must determine what to do to ensure that your staff members are happy, understand your company’s mission, and are productive. The people who work as a part of your team represent you and your company at all times. In discussions of the best leaders in history, it is often mentioned that people under their leadership rarely feel as though they are being managed or watched. How will you foster that type of environment? If you feel the need to watch over every employee, have you hired the right people?

In chapter 2, we talked about looking at other fitness businesses in your area. You should determine if they have employees who are happy. A company that still has dozens of its original employees years later is doing something right. Take the time to determine what you feel will be necessary to foster a positive working environment. Here are a few thoughts to get you started working toward keeping hardworking, happy, and long-term employees:

1. **Trust**—You must trust the person you hire. You have to be confident that whoever it is does not need hand-holding and can make decisions for the betterment of your company and your clients.
2. **Ownership**—Greater pride exists in performance when individuals take ownership for what they do. This does not mean they become partners in your company (unless desired); instead, this refers to a person taking the initiative to create and facilitate programs, taking personal ownership to produce quality work.
3. **Wages**—“You get what you pay for” is an appropriate cliché here. If you try to nickel and dime people, they will soon become frustrated. This frustration will be evident in their work and attitude. Pay what is fair, even if it exceeds industry norms.

Case Study

Four weeks ago, you hired Bob to teach a Pilates class at your facility. The classes occur every Monday and Thursday morning, and in the first week, each class was full to capacity. In the subsequent 3 weeks, Bob was late four out of six times because he slept in, and you notice that in the Thursday class (during week four), several people have stopped attending the class. This type of behavior is unacceptable to you, and you realize that you will have to find another instructor. How will you inform Bob that you no longer require his services?

Meeting Scenario 1

You and your head trainer set up a meeting with Bob with the intention of letting him go. You include your head trainer in the meeting because you want to have another person present in the event that Bob is not cooperative. When discussing the situation with Bob, you find out that he has no reason for sleeping in; he was simply irresponsible. You present the information about how many classes he has been late for and the number of people currently enrolled in the class. Although your policy is to give employees 2 weeks notification of termination, Bob would like to be released immediately. All three of you are in agreement because you have a part-time instructor who is already willing to help teach the classes until you find a permanent replacement.

Meeting Scenario 2

You and your head trainer set up a meeting with Bob with the intention of letting him go. You include your head trainer in the meeting because you want to have another person present in the event that Bob is not cooperative. When discussing the situation with Bob, you find out that he has been sleeping in and was late for classes because he has been spending his nights at the hospital with his mom. His mother is terminally ill, and Bob has been trying to spend as much time with her as possible. During the meeting, the three of you agree that it would be in Bob's best interest to take a little time off, and that you will offer him a role in your company in the future when the time is right.

Summary

Although you were presented with one case study, and we previously discussed the goal of being as objective as possible, you will note that the second scenario puts a different perspective on things. The goal is to be objective, but you must never forget to be humane.

Here are some hints for avoiding conflict:

- Before hiring Bob, you should specify what time you would like him to arrive at your facility (e.g., 15 minutes before class begins).
- In addition to describing your expectations of when to arrive prior to teaching a class, you must also specify the consequences of being late (e.g., if you are late more than two times, I will have to let you go).
- At the conclusion of each class or week of classes, you should solicit feedback from class participants.

Note that the last hint should include providing feedback to your employee. Feedback should be central to both training and staff development. In both of the scenarios described, regular feedback from clients would enable you to avoid a situation where attendance decreases because of unsatisfied participants.

Feedback

Providing systematic feedback to employees is extremely valuable. Try to foster an environment where employees (and clients) feel comfortable approaching you about concerns. If you receive less than positive feedback about someone who is teaching a class at your facility (as in the previous example), you need to have a system in place to share that feedback. As a good manager, you must be able to distinguish between issues that can be improved and issues that are beyond improving.

4. Open communication—The lack of communication is often the cause of countless problems. People need to feel comfortable in voicing concerns.
5. Team—You are in effect hiring team members. If treated and classified as team members, employees often have greater diligence in daily routines.

The way you treat your staff and the type of working environment you create will filter down to your clients. It is obvious when someone is happy in what they do. Similarly, it is very clear when someone is not happy in what they do. If you treat your staff with tremendous respect, your staff will in turn treat your clients with respect.

Employee and Client Relationships

You must feel confident that your staff members will treat clients with respect. As a business owner, you realize that your clients are vital to the survival of your company. Therefore, your goal is to do everything within reason to keep them happy. This could include offering odd hours of operation, determining special musical interests, or even creating special environmental conditions. For example, if you have a client who is menopausal, why not make sure the air conditioner is a little lower before her arrival?

With such varied needs and requirements, sometimes it will be difficult to meet everyone's expectations. Nevertheless, you should offer your staff guidelines for conduct and communication. Similar to seeking and providing feedback to your staff, there should be methods in place suggesting how you would like your staff to treat your fitness clients.

Guidelines for conduct can include

- how to greet first-time clients on the phone,
- how to greet first-time clients in person,
- what to wear (and what not to wear) during fitness training sessions,
- punctuality,
- exercise instruction techniques and methods,
- unacceptable behavior (e.g., chewing gum while working),
- use of phones during busy studio times, and
- guidelines for social interaction with clients.

Effective communication skills will be a necessary cornerstone in creating positive relationships with people you come into contact with on a daily basis. The most knowledgeable fitness trainer will be completely ineffective without the ability to communicate that knowledge. To this end, you should offer direction to your staff on acceptable methods of communicating with clients.

Guidelines for communication can include

- acceptable and unacceptable facial expressions,
- appropriate body language,
- acceptable motivational techniques during a session (e.g., no loud yelling),
- appropriate and inappropriate use of technical jargon,
- appropriate and inappropriate uses of humor,
- appropriate timing for social conversations unrelated to training, and
- conflict resolution techniques.

Your staff will only be able to create a rapport with clients if they can communicate effectively. Effective communication means more than simply being able to talk; it also means being a good listener. "One half of communication is expression: speaking, writing, acting, or performing art. The other half is the receiving side: listening, reading, observing. Both bring ideas, feelings, and experience" (Bender 2002, p. 151). Although implementing guidelines for communication might seem extreme, your staff has to be adept at creating positive relationships with clients.

Although the goal is to create a positive working environment, this should not be at the expense of setting guidelines and policies. Remember the example of the trainer who operated outside his scope of practice and offered inappropriate advice to a client? (See pages 41-42.) With guidelines and policies in place, your staff members will know what is expected, what is acceptable, and what is unacceptable behavior.

How you should conduct yourself around your staff is also a challenge. Leading by example is often easier stated than accomplished. Therefore, you should also give thought to how you will relate to your staff.

Employee and Management Relationships

As an employer, you will assume a role of leadership. You should consider the skills that could help to enhance your leadership abilities. Although it is often said that great leaders are born and not created, it stands to reason that if we explore certain characteristics of great leaders, we can learn from them.

Qualities of good leadership include

- effective communication methods,
- determination,
- self-discipline,
- ability to motivate,
- ability to earn respect from colleagues,
- patience,
- firm ideals and morals,
- innovative (ability to think outside the box), and
- visionary.

Although this list is certainly not exhaustive, it will allow you to have a frame of reference while giving thought to what your strengths and weaknesses are as a leader. You might want to seek feedback from close relations in an effort to determine areas you need to improve. A number of texts and publications are also available that offer leadership strategies.

A book you might find interesting is *Principle-Centered Leadership* (1990) by world-renowned author and speaker Stephen Covey, who also wrote the popular *The 7 Habits of Highly Effective People* (1989). Another book you might also find interesting is simply titled *Leadership* (2002) by former New York City mayor Rudolph Guiliani. With hundreds of books to choose from on leadership and effective communication, you should take time to explore the available resources that can help you determine your growth needs.

As previously mentioned, your goal should be to try to create a relationship with staff that enables them to feel comfortable approaching you with feedback. Open communication is often the first step in avoiding conflicts. Furthermore, if staff members feel more like team members, they will be motivated to project a positive image of the team and your company. The underlying theme here that we have not yet directly discussed is the fact that your business is growing.

Once you reach the point that you are hiring and managing staff, you must give consideration to business expansion strategies. In chapter 4, we will talk in more detail about how to expand your business and ways that you can help keep yourself motivated.

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CHAPTER FOUR

Business Expansion

Over the last few chapters, you have gained insights into the importance of trends and mission statements, which help you in developing the vision for your fitness business. You have also learned the important aspects of preparing for a business, such as market analysis, business structures, marketing plans, financial plans, liability management, and facility design. To be able to provide services to your clients and manage your business, you have learned about program planning, hiring and supervising staff, staff management, organizational skills, and commitment.

If you are committed to your business and to the fitness industry, you also need to look ahead and learn about expansion. Use the information presented in this chapter as a way of planting a seed that you can nurture and grow at a later date. We will examine ways that you can expand your revenue streams with programming and staff. We will also examine ways to expand your facility.

You are the most important asset as you start your new fitness business and plan for future expansion. We will take some time to focus on ways for you to avoid stress and encourage self-motivation.

Business expansion requires time for reflection and planning. A thorough review of your successes, your mission statement, and your goals will help you determine how satisfied you are with your business and how you would like to see it grow. There are different ways that you can expand your business. Given the various options, you can expand your program offerings, your staffing, your equipment, or your facility. How do you know when you are ready to expand your business? Let's examine the criteria for business expansion.

CRITERIA FOR BUSINESS EXPANSION

One of the important steps in expansion is to identify the criteria by which you will measure business success. Here is a list of criteria and some questions that you can ask yourself in this reflection stage.

1. Greater revenue. Are you interested in more revenue? What financial numbers are you aiming for? Would you be generating this revenue yourself, or are you thinking of hiring some assistance? For example, you can expand your revenue-generating potential by adding fitness-related workshops directed at consumers or other fitness professionals to your personal training sessions. If you would like a team approach, you can hire additional personal trainers to be able to service a greater percentage of your current and potential clientele.

2. Larger clientele. Do you have more hours to fill with programs and services? Do you know which target market finds different time slots most appealing? Are you looking at a

particular target market? Do you want to address the needs of more than one target market? Do you want to have more participants in your classes or gym?

3. Expanded services. Do you have new services to offer? Do you have a broad range of services to offer your clients? Do you have a network of medical professionals such as a physiotherapist (physical therapist), sports medicine doctor, or registered massage therapist to refer clients to? Or would you like to build a team of professionals to provide services at your facility?

4. More locations. Do you want to offer your services at different locations? What would that look like? Would that translate into different physical sites that you would have to manage, or would that mean that you work different days at various locations?

5. Bigger team. Are you interested in working as part of a team rather than on your own? What would that team look like? What would the roles and responsibilities be for each team member?

6. Improved work–life balance. Are you finding that you do not have time for yourself? Do you need someone to share your workload? What aspects of your job would you like to give up?

As you reflect, you may think of other criteria that are important to you as you consider expanding your business, so feel free to revise this criteria list.

When you've finished answering these questions, review your responses. If you have generated many reasons and methods for expansion, then you are ready to take the next step. If you are happy with your company's current results, then continue on your current path of success.

Fill out the form, *Decision Quadrants*, on page 71 to help you evaluate your decision about expanding your business.

After you fill out the quadrants, rate each item in importance from 1 to 5. Those with the highest ratings are the most important to you. Notice which quadrant those items are in, and see how this matches with your decision about growing your business.

After you have taken some time to reflect on the possibilities, it is time to identify your ability to expand your business. Many marketing books (Mullin, Hardy, and Sutton 2000; Grantham et al. 1998) refer to the SWOT (strengths, weaknesses, opportunities, threats) analysis. This analysis tool has been around since the 1960s and helps you identify the strengths and weaknesses of your business (Learned et al. 1969). It also helps you identify opportunities and threats within your marketplace and industry. This approach essentially forces you to take off rose-colored glasses and analyze your business from a number of different angles. In a small business, the SWOT profile of the business may be a reflection of the person's skills and personality. As a business gets bigger, the SWOT profile will reflect the organization's cumulative staff, services, facilities, policies, and procedures.

Conduct a SWOT analysis for each category of business expansion criteria. Don't be surprised if you start commenting about yourself, since you are the center of your business. Table 4.1 is a grid that may help you in your self-analysis. You can start completing the table after you have read the companion questions that will help trigger answers within each category.

Here are some questions to ask yourself when you begin your SWOT analysis.

Strengths

1. What do you most enjoy doing?
2. Which business activities would you enjoy continuing with?
3. What do other people see as your strengths?
4. What have you been trained for?
5. What are you passionate about?

Weaknesses

1. What do you least enjoy doing?
2. What activities would you like to let go?

Decision Quadrants

Reasons to stay in the same business

Reasons to expand

Reasons not to stay in the same business

Reasons not to expand

From *Starting a Fitness Business* by Susan S. Lee and Sheldon R.K. Persad, 2006, Champaign, IL: Human Kinetics.

Table 4.1 SWOT Analysis for Business Expansion

Criteria	Strengths	Weaknesses	Opportunities	Threats
Greater revenue				
Larger clientele				
Expanded services				
More locations				
Bigger team				
Improved work–life balance				
Other				
Other				

3. What are your weaknesses?
4. What do others see as your weaknesses?
5. Are you able to serve different target markets?

Opportunities

1. What are your hidden talents?
2. What are some of the skills that you have that have not been explored yet?
3. What are the fitness trends that are compatible with your skills?
4. What are the fitness trends that you are willing to train for?
5. What services are your competitors not offering that you can offer?

Threats

1. What are your competitors doing?
2. What are the changing demographics?
3. What are the changing social attitudes toward your services?
4. What are the changes in the economic climate of your potential clients?
5. Which local, national, or international policies can affect your business?

Assessing your company's strengths, weaknesses, opportunities, and threats helps you focus on areas that you would like to improve upon. To be able to expand, you will need to look at what's important to you, how you will measure your success based on the criteria, and how you will implement the steps for expansion with the resources that you have. Your resources will include financial, staffing, facility, and time availability.

Expansion results in change, and it may not be a comfortable process. So take your time to reflect, and then plan. You will need to set aside some time to think and write down your thoughts. After connecting with your thoughts, you may choose to have a discussion about your ideas and plans with a colleague or friend. Talking about it may generate more thoughts. Be sure to review your analysis. Check what you will need to add, delete, and expand on before you settle on a true picture of where you are as a business and whether you are ready to expand.

The SWOT analysis is a guided self-reflection process. From these important reflections, you can decide what your priorities are and then determine how you will turn these ideas into action steps. Your SWOT analysis may reveal ways you can expand your business by increasing your program offerings. You may conclude that it is time to expand your staff. After reviewing your SWOT analysis, you may want to consider relocating. The following sections will give you ideas on how to expand your business through expansion of programming, staff, and facilities.

PROGRAM EXPANSION AS A REVENUE STREAM

If you're considering business expansion, you've probably experienced quite a bit of success. Careful planning contributed to that success. As your thoughts turn to expansion, try to build on your successes. Take another look at your business structure. Is the business structure you identified in chapter 2 still ideal? You probably want to review the business plan that you created, too. You'll be revising that business plan to reflect your decision to increase your revenues. You can increase your revenue stream as a club owner, group fitness leader, or personal trainer. We'll look at each of these situations.

As a club owner, what can you do to increase your revenue? Let's think about how you can tap into societal trends. Generally, the most popular workout times tend to center around lunchtime and after-work time frames. You could tap into nonpeak hours such as 9:00 a.m. to 12:00 noon and 2:00 p.m. to 5:00 p.m. and aim to target older adults. Older adults who are retired would have more flexible hours and would be able to come during the nonpeak hours. To make the nonpeak hours more attractive, you can promote a special rate for those hours, such as offering a 10 to 15% discount on the regular rate.

A club owner can also tap into fitness trends. To address the obesity epidemic, you can offer a weight management program. You can pair up your registered dietitian with a group fitness leader to offer this program. The participants can take part in an 8-week program that can include nutritional topics such as healthy eating, dining out, and current weight loss plans, while an exercise component can focus on the use of different pieces of equipment. Another angle that you might use is addressing the combined problems of the obesity epidemic and a sedentary population. Services targeting children and youth may provide another potential revenue stream. Consider offering after-school programs. If your fitness business is within walking distance of various schools, you can promote physical activity programs to the children and youth of your community. You can play an important role in addressing and then actually combating the rise in the incidence of overweight and obesity in children and youth.

Societal trends, including an aging population, the increase in obesity, and an increased awareness of the benefits of physical activity, can all help to direct your efforts in the development of new programs that can generate new revenues for your club. Monitoring these trends will enable you to continue to add new programs.

As the coordinator of group fitness programming, what can you do to increase your revenue? You no doubt will have prime-time hours dedicated to the various forms of aerobics and muscle conditioning classes. These classes are generally included within a club membership. What classes can you offer to generate more income given that you probably only have one studio space to work with? One of the main fitness trends lies in the mind-body movement area. Do you have a roster of group fitness leaders who are versatile and trained in Pilates, yoga, tai chi, and NIA? These are specialty classes, and often people will pay for these specialty classes. You can probably charge C\$10 to \$20 (US\$8 to \$16) for any one of these registered mind-body classes. Take a good look at your group fitness schedule to see how you can spice up your drop-in classes with registered mind-body classes. Imagine a morning yoga class to wake up to, an afternoon Pilates mat class to strengthen the core muscles, and perhaps an invigorating NIA or meditative tai chi evening class. These potential offerings reflect the various types of classes. Once you begin to address varying needs, you can build your mind-body program for beginners, intermediates, and advanced-level participants to broaden your registered group class programs.

As a group fitness coordinator, you want to offer a wide range of current programs to attract potential clients and retain existing clients in your facility.

By being on top of current trends, you can be one of the first to offer a certain program in your area. Being first can generate a lot of interest for current clients, potential clients, and the media. You can use this same strategy of offering state-of-the-art programs as a personal training coordinator.

If you manage a group of personal trainers, what can you do to increase your revenue? People will train in order to pursue fitness goals and will often train to prepare for seasonal sports. Depending on the season, you can increase revenue by offering semiprivate or small-group training for summer sports such as tennis or golf and winter sports such as skiing and

hockey. Your promotional programs can include “improve your swing” for summer sports or “power legs” for winter training. You can consider a 4-, 6-, or 8-week program for each sport. If you build a roster of personal trainers with different sports interests, you can tap into the interests and the talents of all of your staff.

Trainers can offer educational programs in addition to their regular training sessions. Programs with titles such as “learn to run,” “learn to strength train,” and “learn to bodybuild” can be conducted with an educational lecture followed by a hands-on practical component. These programs can be a single session or a multiweek program.

Use fitness trends as the inspiration for creating new revenue streams. Trainers can tap into the growing interest in stretching and flexibility programs. Your trainers may need to learn advanced stretching techniques such as proprioceptive neuromuscular facilitation (PNF) or myofascial stretching. Learning new techniques and skills allows trainers to create unique offerings for your clientele. How difficult would it be to sell the benefit of increasing range of motion in every joint? People of all ages would quickly see this benefit in their daily activities and their leisure pursuits.

Table 4.2 lists the trends as well as the roles that the three main fitness professionals we have been discussing can play in taking advantage of those trends. These ideas show how you can apply a program expansion based on the trends and the staff member’s role.

Table 4.2 Sample Application of Societal and Fitness Trends

	Club owner	Group fitness leader	Personal trainer
Demographics	Promote nonpeak hours to older adults	Offer classes for the 50-plus market	Teach strength training for beginners
Medical research	Offer seminars on health issues	Provide fitness tips or handouts to participants	Provide presentations on health issues
Obesity	Offer weight management programs	Link to weight management programs	Link to weight management programs
Sedentary population	Offer after-school programs	Teach after-school programs	Train small-group programs
Core conditioning	Provide equipment (such as balls) and offer Pilates for core conditioning	Teach core conditioning with Swiss balls and medicine balls	Offer private sessions in core conditioning or Pilates
Flexibility programs	Provide equipment for flexibility training	Teach stretch or tai chi classes	Provide hands-on sessions such as PNF and myofascial stretching

This discussion on program expansion should have given you some good ideas for increasing or diversifying your revenue stream. You can make an incredible impact on your revenue stream by brainstorming and identifying unique ways of offering your service. All fitness professionals can contribute to your bottom line. Be sure to brainstorm with your own staff. These are the people who will drive your new programs with passion and offer new levels of service for your clients.

You can also expand your own repertoire and skills to generate more revenue. You may find that your staff’s repertoire and skills can also be expanded to increase revenues for your fitness facility. Here are some concrete ideas to help you expand your business to generate more revenue:

1. Specialty private sessions. Your personal trainers have learned many techniques for cardiovascular fitness, strength training, and flexibility training. To set your team apart, you may want to pursue additional training to become certified in a specialty area. This will allow you to offer unique programming and will allow your team to charge rates that are higher than your facility’s regular rates. Specialty areas could include golf conditioning, Pilates training, yoga training, nutrition consultations, aquatic therapy, and postrehabilitation training.

2. Semiprivate sessions. Spouses, partners, or friends may want to exercise together. To be able to accommodate this situation, your personal training team can design a program that meets the needs of the two individuals. In these cases, programs work better when the two individuals have similar goals and have similar health conditions. It is much easier working with two clients who want to strength train rather than having one who would like to focus on flexibility training while the other wants to run a marathon. An example of pricing for semiprivate sessions can be one and a half times your regular rate.

3. Small groups (three or four persons). Small groups will need to agree on the goals and expectations of the sessions. In a training session, you should ensure that everyone is moving and try to prevent too much standing around. During the learning stages, one person can be the client while the others are *observers*. You can repeat this for a few exercises and then allow the clients to work individually or in pairs. You can also set up a circuit where pictures and directions can be posted at each station. You must be sure to watch all individuals and provide specific feedback as well as general feedback for the group. For fee structures, a suggestion could be to double your regular fee and divide by the three or four persons involved in your small-group training session for the per person rate.

4. Group training. Group training provides an avenue for your personal trainers and fitness instructors to promote their skills as well as to offer your services at more affordable rates. Based on your skills, you might offer sport-specific training, functional strength training, kick boxing, and core training. The fees for group classes can be comparable to or slightly higher than the instruction classes in your area. When you compare prices, you can also check what other programs are being offered and do something different.

5. Assessments and consultations. You should offer fitness assessments to your clients. To generate more revenue within the assessment side of your services, you can bundle these services with postural, muscle length, and gait assessments. By offering two back-to-back services, you have just been able to eliminate any downtime from changing clients or traveling to another client. Before setting up this package, you may want to give it a catchy title such as “Healthy Starts” or “Healthy Beginnings.” Ensure that you have the forms to collect data from the client as well as the forms to hand over to your client as a summary of the session. Use the latter half hour of your 2-hour session as the consultation component. Facilitate change by indicating areas that need improvement and action steps that the client can take toward a healthier lifestyle.

6. Educational workshops. The fitness industry is bursting with information on exercise, nutrition, and lifestyle impacts. You can set up workshops to share this information with consumers. Topics of interest might include how to start your own exercise program, learning the latest exercise techniques, how to have flatter abs, and eating well. You can network with local businesses to determine whether they have a location that you can use. For example, you can align yourself with the local exercise equipment supplier and give educational workshops during a scheduled time and day. This will also be a great way to generate traffic for the store. In business lingo, it’s win-win for both parties, you and the store. You can set a small fee or set a fee that will cover your time and rent for the educational workshop.

7. Product distribution. Clients who seek out personal training also seek out convenience. If there is a product that you enjoy, you may want to add it to a product catalog that you can produce. You can also provide a space in your club for a pro shop. Items that you can include are water bottles, heart rate monitors, exercise bands, exercise balls, foam rollers, books, and clothing. If you are seriously interested in building your inventory, you may want to talk to a supplier for volume discounts.

8. Facility design. In addition to distributing small exercise products, you may just run into the opportunity to help a client design his or her exercise studio at home, or you may be the key person to help the client choose a particular piece of equipment. Building your knowledge of equipment will take time and patience, but it will be worth it when you transform the layout on paper into a functional studio for your client. This can be charged per hour or by the project.

You can also offer a corporate service or satellite programs. You can help other companies start a fitness or wellness program by organizing contract staff to teach fitness classes, provide personal training, or present educational workshops.

9. Training on the Internet. You can expand your services to different parts of the world if you have access to the Internet. You can offer a subscription to your Web site with the latest research news and articles that you can write. You can develop program designs for clients via electronic mail. For a subscription, you can charge per year. For individual clients, you can charge for an initial program and then conduct follow-ups on a monthly basis. You can keep in touch with all your clients with a regular e-newsletter and offer this as a value-added bonus when they sign up with you as a client over the Internet. You can start this e-newsletter with your current roster of clients, and they may just forward your e-mail to a potential client somewhere in the world.

10. Industry speaker. As you build your technical skills, gain training experience, improve your communication skills, and achieve credibility, you will be in the position to teach others about how you achieved your success. As a professional speaker, you will need to outline your unique workshops. Promote yourself locally and don't forget that you can start these workshops within your fitness facility. After you have gained speaking experience, you may want to apply your skills at national and international conferences.

Whether you're a club owner, group fitness leader, or personal trainer, there are many ways that you can increase your revenue. Given the many trends in the fitness industry, you can offer many different types of programs designed to meet the needs of a diverse population of clients. Your staff may need additional training before you begin to offer new programs. This is the time for management to take steps to provide professional development for the staff. Doing so will ensure that the staff, who are the frontline professionals, will have the tools to provide the advertised programs and provide improved customer service. Human resources are vital to offering quality services. You will require an expert staff as well as a manageable workload to expand your business. Let's look at the steps that you will need to take when expanding your staff to generate more revenue.

EXPANDING YOUR STAFF, INCREASING YOUR REVENUE

One of the first steps to organizational change and expansion is to do an organizational review of your current staff roster and their job descriptions. While you are updating their job descriptions, note which new activities have been added. This is also a good time to ask for feedback from your staff on what the company can do to improve and how they can contribute to a planned company expansion.

Let's imagine that you are a facility owner and operator who is currently working with a couple of group fitness instructors and personal trainers. Your organizational chart looks like figure 4.1.

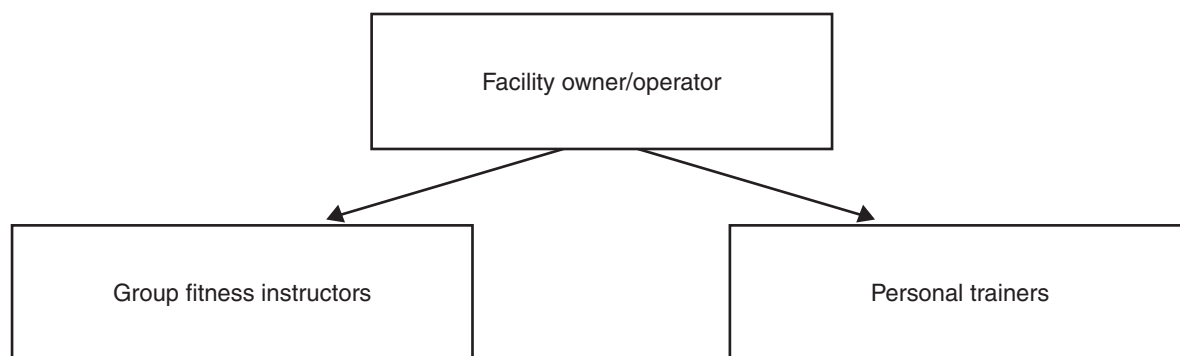


Figure 4.1 Organizational chart.

After completing your organizational review, you should identify your expansion goals and job clusters. To generate more revenue, you may need to hire specialty trainers and area coordinators, and if you start expanding into new locations, you may need to hire club managers. Ensure that each new role has a job description and also that you have reviewed your finances to determine the viability of covering your costs for new staff. Here's a potential organizational chart that shows growth from the previous diagram (figure 4.2).

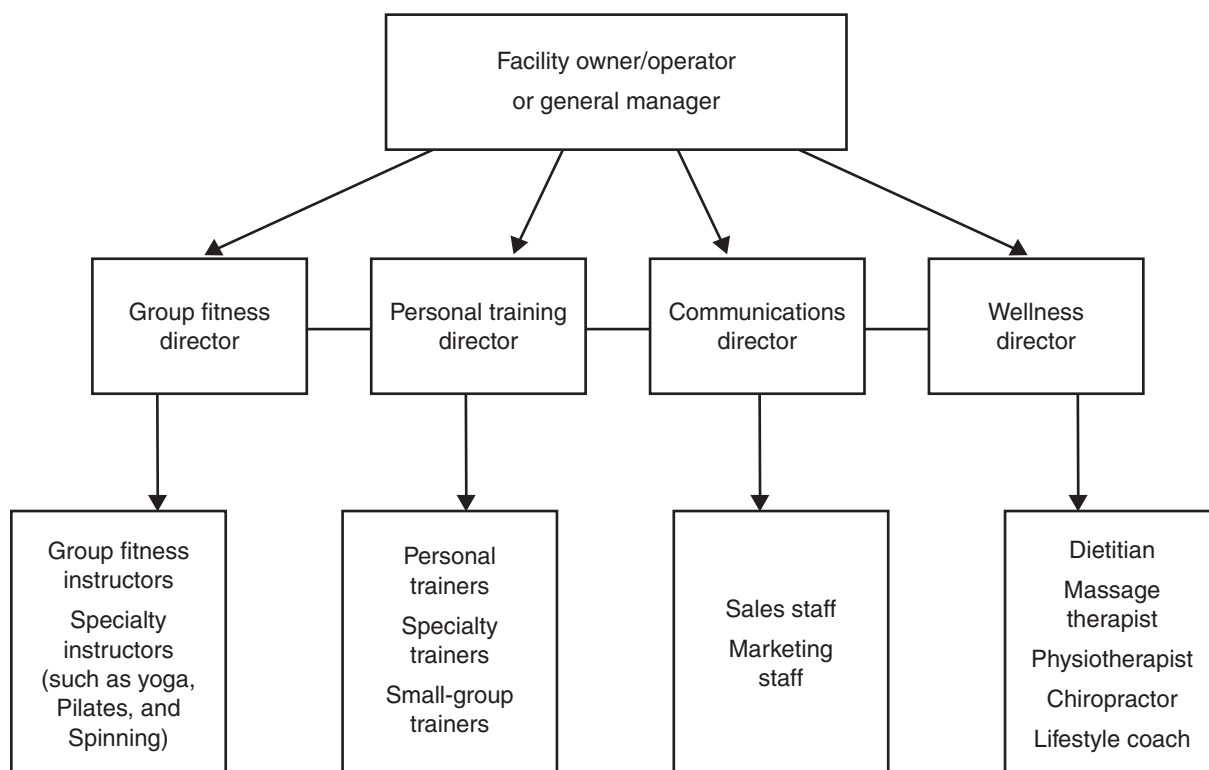


Figure 4.2 Expanded organizational chart.

As you expand your programs and staff, you may need to oversee the operation and hire staff to assist you in the daily operations of your company. When you are first starting out, you may be responsible for everything from hiring and training staff to scheduling programs, selling memberships, creating promotional brochures, and cleaning your facility. As you expand, you will not have time to do all this yourself. You could end up being burned out by trying to do it all.

As the owner, you will keep on managing and supervising the duties of your management team members at the director level (see figure 4.2). Your group fitness director will be in charge of all your group fitness programs, both general and specialty programs. Your personal training director will coordinate personal, semiprivate, and small-group fitness training sessions. Your communications director can be responsible for club tours, advertising, promotional events, and newsletters. Your wellness director can be responsible for the different areas that contribute to total health, such as nutrition, lifestyle coaching, and rehabilitation.

After you have created your organizational chart, you may want to consult with your staff for more ideas. From there, you will need to implement the new model. Depending on the availability of expertise and financial resources, you may need to phase in your implementation plan. The staff can also be brought in on a part-time or full-time basis depending on your company's needs and financial picture (and depending on how much work you want to keep and how much you would like to delegate). Here's a possible implementation plan for the new organizational model:

Implementation phase 1: Hire the group fitness and personal training directors.

Implementation phase 2: Hire the communications director.

Implementation phase 3: Hire the wellness director.

To ensure that you have a cohesive team, set a meeting of the directors so that everyone is aware of the goals of the company as well as what's happening in the different areas. Meeting on a regular basis will provide you with different perspectives on the issues at hand and will help generate cross-promotion opportunities. Everyone can help with club promotions.

Your staff will often have ideas on equipment that can be paired up with programs, and they will also have a sense of what can be improved at your facility. As you review your SWOT analysis, does increasing your revenues through equipment or facility expansion seem like a probable goal? Let's have a look at equipment and facility expansion ideas that can help you generate more revenue.

EQUIPMENT AND FACILITY EXPANSION

Keeping your facility current will project the image that you care, that you are successful, and that you have state-of-the-art facilities. How do you keep on top of the latest versions of equipment? Know what your competitors offer, read the industry journals, and go to industry trade shows. Which pieces of equipment will give you the best value for the amount that you would like to invest into your facility? Knowing your target market well and giving them the best of the brand names is one strategy. Keep in touch with the latest offerings from suppliers and manufacturers by reviewing industry catalogs and visiting related Web sites.

Over the years, various types of equipment have been introduced. Some of this equipment is now seen as "required" and is in demand by clients. Ten years ago, it would have been the step benches. Five years ago, it would have been group cycles.

What's on the horizon today? If you cater to the older segment of the population, you may want to convert an unused or underused space into a Pilates studio to help clients work on core conditioning and postural realignment. Clients who have tried Pilates mat classes may be interested in trying out group, semiprivate, or private sessions with Pilates equipment. If you are catering to a more athletic crowd, you should consider looking into the various brands of functional strength training machines. These machines often incorporate a pulley system to enable people to perform exercises in a variety of positions. These functional trainers come closer to resistance training with dumbbells than traditional weight machines. Knowing what your target market is—and knowing what the newest, most suitable machines you can afford are—will enable you to continually evolve your club and provide a state-of-the-art facility for your staff and clients.

Adding new equipment may cause you to consider your physical facility. If you have run out of space within the four walls of your facility, what do you do next? If you have leased some space, are there more spaces that will become available to you in the near future? If you own the facility, can you expand by adding on?

You can transform the additional space into a strength and conditioning area, a group fitness studio, or even a women-only section. With the emergence of small clubs designed for circuit training, which are now very popular around the world, you can create a circuit within your own gym. Alternatively, if you expand your thoughts and think outside of the box, you can consider a day spa or rehabilitation clinic. Many clubs have included a full-service day spa, rehabilitation clinic, or both as a profit center within their facility. This one-stop shopping concept can bring traffic into your club and increase the revenues within your facility. You can begin with massage therapy as part of your day spa. You can offer on-site rehabilitation services with a licensed chiropractor or physiotherapist (or both) as one of your profit centers.

If you have used all your available space and have weighed the option of an on-site addition, then perhaps it may be time to relocate or build a second location. Before you consider these options, which require a bigger financial commitment, you should go back to chapter 2 and review financial and budget planning. Based on your budget planning, determine whether your idea of relocation or building a second location is feasible and makes financial sense. You do not want to start to expand your business and then realize you have just

accumulated an unrealistic amount of debt and placed yourself under a lot of undue stress. Keeping the financial picture in mind, let's look at some ideas for relocation.

Relocation

You may conclude that your current facility isn't large enough to accommodate all of your current clients. Relocating to a new facility may solve many problems. Relocating part of your business may be another option to consider.

If you know that you are offering a wonderful service to your community and you are doing well, there is no need to move your entire business. Can you relocate some of your classes and services to a new facility?

If you do decide to move your entire business, keep in mind that moving your business may mean losing your client base. Fitness participants will most likely drive up to 20 minutes to a fitness club, either from work or home.

Review your policies and procedures manual and determine whether or not you can use the same management system in another location. Will you manage both locations? Will you need additional staff to help you? These questions may help you analyze whether you should relocate all or part of your business.

If you have a systematic process for how you conduct your business, and you decide to apply it in a new location, you may be on the road to looking for investors or franchising your business.

Adding a new location would require you to devote time to locating the proper site, understanding the demographics of the area, building a new facility or renovating the space to meet your specific needs, and then hiring staff for the new location. To ensure that you have time to do this, your first location needs to be well managed with top-notch staff in place. If you need to free up more time, you may need to hire a general manager to take care of your first location while you work with the contractors for your second location. How will you finance the relocation? Will you use your own finances or look for investors? To expand your locations and services with any of these ideas, you need to do a new business plan. Once you have a business plan drafted, sit down with your accountant to determine the most viable option for your business.

While you're evaluating your future, let's discuss two other options for expansion: franchising and licensing.

Franchising is one way to expand a total business identity through offering a business concept, trademark, services, site development, standard policies and procedures, and advertising. Licensing is offering the use of a specific business component, such as a trademark, products, and services. Both business transactions should include a detailed agreement between the owner (franchisor or licensor) and the associate interested in the business concept or trademark (franchisee or licensee). These contracts should be drawn up by a lawyer and reviewed by an accountant, both who specialize in the areas of franchising and licensing, to ensure that you are not missing any vital information within a legally binding contract.

Both franchising and licensing will give the interested individuals partial ownership of a company, and often ownership will provide a greater sense of motivation for success and improved work productivity.

Franchising

If you have systems in place and a unique brand within the fitness industry, you can use this to your advantage and consider franchising your business. As a franchisor, you would be offering a name, organizational systems, discounts from suppliers, and marketing and management expertise. In turn, the franchisee will be using his or her funds to build the location. When it is open for business, you would have negotiated a portion of the gross revenue in return for access to your company's systems, marketing campaigns, and management skills.

Let's highlight a number of critical steps to consider when you are developing your company's potential for expansion through franchising.

- 1. Develop and establish a strong and unique business format.** Ensure that you have a strong business format with regard to business operations, policies and procedures,

marketing, and services. Coupled with a strong business format, you should ensure that it is unique in name, service, and products. What's unique about your business? How can you differentiate your business from others in your industry?

2. Establish a track record. Document your successes. Ensure that you have complete accounting records. When it is time to sell your first franchise, interested individuals will ask about your track record and successes. This information will help them determine their potential for success.

3. Develop a detailed business operations manual. Franchisees want to know how your business is run. A complete document outlines the concept, trademark, services, and procedures.

By taking time to document your current business policies and procedures, this would help in the future development of a reference guide for franchisees.

4. Plan and develop the franchising idea. To be able to get to the stage of writing a legal document, you will need to consider and write down some boundaries for how you will service the franchisees. Here are some questions to ponder:

- a. How big will each franchise territory be?
- b. How long will the term of the contract be (often 10 to 20 years)?
- c. How can the trademarks and services be used?
- d. What are the business formats, standards, and procedures?
- e. What are the franchise fees and services?
- f. What are the royalty fees and product pricing? Royalties are often based on a percentage of gross sales, which may be paid weekly, monthly, or quarterly. Product pricing involves the franchisor selling products to the franchisee at a profit.
- g. What are the advertising fund contributions based on gross sales for national or global advertising versus local advertising?
- h. What are the standard procedures for financial management, hiring and training of employees, building and equipment maintenance, and advertising and promotions?
- i. What are the ongoing services provided by the franchisor for continuing assistance, including research and development, selection of inventory, hiring and training of employees, and advertising and promotions?

Franchising is a total business concept that you will lease for a specific term to a potential independent business owner. It requires a lot of thought and planning; however, if you have one component of your business that you would like to expand and not your entire business, licensing may be another route toward expansion.

Licensing

If you have a recognizable trademark such as a company logo, and you are interested in licensing the use of the particular trademark and your program, you can set up a licensing agreement. There are branded programs now that are as diverse as group cycling, group mind-body classes, and group strength training.

Characteristics of these licensed programs include a strong trademark backed by instructor and marketing programs. You can sell your licensed program to interested fitness clubs who will use this trademark or branded program to generate interest and retention of clients.

Let's review a number of critical steps for developing your brand.

1. Develop a tangible product or merchandise to match your services. You can begin with a strong logo for your company. That company logo can then be printed on apparel, water bottles, gym bags, and so on. You will have clients displaying your logoed gear when they enter and exit your facility, but also all around town.

2. Develop a personality or spokesperson. Use your staff or clients as personalities or spokespersons for your company. Some companies even have celebrities endorse their products. Contracts are legal documents which will clearly outline the purpose of the agreement and the roles and responsibilities of each party. The terms of the contract would include the length of the contract, the scope of the work, trademark use, intellectual property, termination of contract, non-compete clauses, and compensation. If you use staff or clients, there needs to be written permission to allow the use of words and images provided by the individual or individuals. In any agreements with a spokesperson, you will need to clarify the roles, responsibilities, and compensation. This will help to dispel any misunderstandings as well as prevent any requests for additional compensation if the endorsements help the company grow to phenomenal levels. These letters of agreement should be made legally binding, and thus the document should be drawn up by a lawyer.

3. Develop your distinct identity. Create a logo or graphic design that will enable people to identify your company quickly, especially if you have a long company name. Create a slogan that can be used for marketing purposes. A slogan is a phrase that will help your company be distinct from another that may offer similar services. You may also create unique products, and you can apply for a patent so that other companies do not replicate your product. Creative material can have a copyright that is owned by the writer and designer. All these steps help to create an identity that is unique, marketable, and sellable, with the potential for licensing opportunities.

4. Develop your own traditions. Do you have traditions for your company? Do you have seasonal events? Plan a welcome event every month for new clients. Send thank-you notes for referrals. Have a client appreciation day. Seek ways to consistently thrill customers every visit. These traditions would help you set your fitness business apart from another company.

5. Create a spectacular event. Often a spectacular event is linked to a cause or a charity. As part of your community service and the development of good will, you can decide on a charity event that you will support each year and gather the entire membership to work toward this event. For example, if there is a local charity run, you can create teams within the club and help the teams train for the event. Have group runs and then celebrate just before and after the charity event.

Here's a case study based on a true story on how one person built a marketable brand name and image. While you're reading this case study, notice how Allan built his company's brand name following the critical steps outlined previously.

Case Study: Allan

Allan, as a group fitness studio owner and operator, created a trademark of high-energy, dance-based classes that were enjoyed by his clients and adored by the media. He was often featured as a media spokesperson as well as a featured instructor at charity fitness-a-thon events. His studio trademark and brand became very well known in a large metropolitan city. Ten years later, a club from a major chain was looking into adding well-known and unique brands for their group fitness programs. They already had brand names in the cardiovascular and strength equipment areas. This club searched out Allan's brand name and offered him a beautiful studio as a home for himself and his staff to continue his growing business. Allan's instructor training regimen and his group fitness style were the unique hallmarks of his brand that he turned into a licensing opportunity. Allan could now focus on developing his technique and repertoire versus trying to bring in potential clients to keep his business growing; the new club now took care of those marketing and advertising elements of the business.

At the beginning of Allan's career, he was focused on building his company's unique programs, image, and brand name. He may not have realized that all the steps he took were steps that could lead to a business proposal from a fitness club chain. Allan's story could be your story in a few years from now.

Take the time and care to build your business, and take advantage of the opportunities that will present themselves now and in the years to come.

The sky's the limit. The world is at your doorstep when you venture out of your own comfort zone and try the possibilities. You can try the ideas suggested or create your own ideas to work with.

Now that you have created ideas to expand your business, let's look at ways that you can manage the stress that goes with expansion. The information in the following sections will help you prevent burnout and enable you to make the best use of your time.

TAKING CARE OF YOURSELF

To stay in the fitness industry for the long term, you need to balance your personal and professional life by using time management skills and stress management strategies. You must continue to find inspirations for your work.

Back in chapter 1, we spoke about finding a harmonious balance between your professional and personal life. The following section describes how you can prevent burnout by being a better time manager. Within the life of a fitness entrepreneur, you must realize that you will have to set aside time for many facets of ownership, which include strategic planning, staff training, supplier negotiation, client sales, and crisis management.

Time Management to Prevent Burnout

Time management is a skill, one that you need to brush up on every once in a while. Simply put, successful time management allows you to accomplish your goals. You've been identifying your goals and priorities for your fitness business. The business planning and management approach that you've been working on represents the steps that will carry you toward your fitness business goals. Part of those plans should include scheduling, delegation, and strategic planning; these are all aspects of time management.

Let's consider how you manage your time. The most important tool to have is a calendar. Just choose a version that works for you. It's always good to plan your week, including important meetings and events. Try to make an effort to do this routinely. Friday afternoons may be a good time so that you know exactly where you are and what you have to do Monday morning.

Given a blank week, ensure that you find time for yourself and family or friends, since these are the activities that will get postponed most often. Then prioritize what you need to complete for major projects, and ensure that you are working with a schedule to meet your fitness and administrative duties. Here is a list of personal and professional responsibilities which may be part of your day and can help you identify your time commitments.

Exclusive Time

- 1. Your weekly personal time.** Set your limits on how much you want to work and how much time you need to devote to yourself.
- 2. Time with family and friends.** Set your limits on how much you want to work and how much time you need to devote to your family and friends.
- 3. Your personal workouts.** Fitness professionals are role models for health and fitness. You need to walk the walk and talk the talk. Remember to make time for your own workouts.
- 4. Professional development.** Keep fresh and stay current by taking trips to the library, reading the latest books or journals, and attending workshops, seminars, conferences, or classes.
- 5. Holidays.** Just as you want to prevent overtraining with your exercise program, you want to schedule holidays to avoid burnout when it comes to work commitments. A great remedy for burnout would be to plan some time off after a major stretch of work time or to reward yourself for having met a pressing deadline.

Professional Time

This is the time that must be spent with clients—each week, without fail. These tasks are easy to identify and to schedule. I've included workshops in this category, too.

1. Teaching fitness classes. You may be teaching a variety of group classes, from muscle conditioning to group cycling to mind-body techniques. Be sure that each class appears on your calendar.

2. Training clients. You will want to meet and train clients when you first open your club. Be sure to add client appointments to your calendar. Eventually, you may want to delegate some of your clients to new staff that you have hired and trained. You may want to periodically schedule time to observe your staff training clients.

3. Designing programs. Clients are paying you well to ensure that they get results, so set aside the time to plan an effective program design for their exercise routines.

4. Conducting workshops. Getting yourself in front of an audience is great marketing as well as a revenue stream. So set aside time to create your own series of creative seminars. Be sure to advertise your availability to the local media (morning news and talk shows frequently feature fitness segments). You might also want to use the media as an outlet for the workshop or education series mentioned in our earlier discussion on expanding programs as a revenue stream (a cable television version of the workshop).

Corporate Time

This time is allocated for your business, but not to clients.

1. Regular staff meetings. You are the boss so you will need to have an overview of all the tasks and programs that are going well and all the work in progress. You must also make sure that you are ready to assist with any crisis management.

2. Staff recruitment and training. As you grow, you will need to hire staff. Take the time to create a job description and to recruit and hire the best. Staff training may be on site with one of the senior or specialist staff as the expert presenter. At other times, professional development may be in the form of local or out-of-town conferences. As a commitment to professional development and a focus on providing quality service, you may want to set aside a professional development fund for staff.

3. Marketing and promotion. Marketing includes advertising, public relations, and promotions. You will need to set aside time to create and review the marketing pieces as well as contact the right people to implement your creative ideas.

4. Sales tasks. Contact people who may be interested in your club and make appointments for tours or presentations.

5. Business administration tasks. Running a business takes time and energy. There is typically quite a bit of paperwork. You must address these administrative details, from creating and revising staff manuals and club newsletters to membership follow-up to maintenance issues.

6. Invoicing and payroll. You need to be on top of your financial picture, so do the paperwork to ensure timely payment of invoices, including paying your staff on time. Ensure that you also invoice for any amounts that are due to your business.

7. Club tours. Potential clients will drop in to see your club, so you or an assigned staff member must be ready to do tours of your club and sell some memberships. Many clubs now offer a free personal training session for the client to ensure that a client samples the benefits of a personal trainer. The assigned personal trainer will then be able to sell his or her services after working with the new client.

8. Facility check and maintenance. You can either set aside time to do this yourself or delegate this task to staff. The point is to check that everything is in working condition, and if it is not, to contact your local fitness equipment technician. Ensure that the place is clean and that your caretaking needs are either completed in-house or through a contractor.

9. News releases or articles. Writing news releases or articles will enable you to become your community fitness expert and to share your knowledge and your viewpoint. With a little editing, these might be republished in the club's newsletter—with more of a focus on how the information can be used by your clients (i.e., less generic and more club specific).

Strategic Planning

At the beginning of your business plan, you had decided where you want to be in a few years. You should regularly check that you are meeting your goals and that you are on track. Review your company's highlights, challenges, and track record. Consider all the steps that you could take to make your company thrive in a competitive fitness market. Then prioritize what you can do to make the changes for positive growth with short-, medium-, and long-range time lines.

Here's a sample weekly schedule of a hardworking entrepreneur (table 4.3). What does your weekly schedule look like? What are your commitments, energy level, and staff support?

Table 4.3 Sample Weekly Schedule for a Boutique Fitness Club Owner

	Mon.	Tues.	Wed.	Thurs.	Fri.	Sat.	Sun.
7:00 AM	PT client	Personal time	PT client	Personal time	PT client		
8:00 AM	PT client	Personal workout	PT client	Personal workout	PT client	Personal workout	Day off
9:00 AM	PT client	Business admin.	PT client	Professional development	PT client	Business admin.	Day off
10:00 AM	Marketing, sales calls	Business admin.	Marketing, sales calls	Professional development	Marketing, sales calls	Club tours	Day off
11:00 AM	Lunch, networking	Lunch, networking	Lunch, networking	Lunch, networking	Lunch, networking	Facility check	Day off
12:00 noon	PT client	Presentations	PT client	Group class	PT client	Personal time	Day off
1:00 PM	PT client	Presentations	PT client	Group class	PT client	Personal time	Day off
2:00 PM	Staff meeting	Program design	Staff interviews	Program design	Invoicing, payroll	Personal time	Day off
3:00 PM	Business admin.	Program design	Staff training	Program design	Invoicing, payroll	Personal time	Day off
4:00 PM	Business admin.	Business admin.	Business admin.	Writing	Strategic planning	Personal time	Day off
5:00 PM	PT client	Club tours	PT client	Club tours	Weekly planning	Personal time	Day off
6:00 PM	PT client	Club tours	PT client	Club tours	Personal time	Personal time	Day off
7:00 PM	Personal time	Personal time	Personal time	Personal time	Personal time	Personal time	Day off
8:00 PM	Personal time	Personal time	Personal time	Personal time	Personal time	Personal time	Day off

PT = Personal Training

The sample weekly schedule includes many of the duties that may need to be included in your day. Other items that take up your day may include travel time if you are going from one location to another to meet with clients.

We have looked at sample tasks for a week, but you also need to keep a longer term calendar to ensure that you do not forget about the big picture. Table 4.4 shows an annual calendar based on the potential needs of a boutique fitness club with a January to December fiscal year. Notice the annual, quarterly, and seasonal tasks.

Now that you have seen the annual plan and reviewed the big picture, you probably realize that you cannot do everything yourself as a club owner.

Let's now look at how you can be an efficient time manager through delegation.

Time Management Through Delegation

You can probably clean the showers and vacuum, but would this be the best use of your time? Can you delegate these tasks to an employee or hire a facility maintenance staff to provide this service? Thinking about the best use of your time, especially when setting up your weekly calendar, should help you make some decisions about delegation.

Delegation is an important management tool. You will be able to be more productive in what you do if you can delegate those jobs requiring either more expertise than you can offer or skills that are trainable. If you cannot teach group fitness classes well, then generating choreography routines is probably not an effective use of your time. Hiring someone with this expertise frees up your time for other tasks. Some general skills are trainable. For example, you can hire staff to make customer service calls or process memberships.

Receiving and responding to e-mail and phone calls can also take up a lot of your time. Establish a system for dealing with e-mail. If your e-mail system offers options for filtering messages, you can set up mailboxes for the different types of e-mail you'll receive. Some

Table 4.4 Annual Calendar

	Strategic planning	Financial reports	Marketing and promotions	Staffing	Professional development
January			New Years promotions	Monthly meeting	
February			Club tours	Monthly meeting	
March			Club tours	Monthly meeting	Quarterly PD
April	Quarterly report	Quarterly report	Spring promotions	Monthly meeting	
May			Club tours	Monthly meeting	
June			Club tours	Monthly meeting	Quarterly PD
July	Quarterly report and strategic planning	Quarterly report	Summer promotions	Staff party	
August			Club tours	Staff recruitment and training	
September			Fall promotions	Monthly meeting	Quarterly PD
October	Quarterly report	Quarterly report	Club tours	Monthly meeting	
November			Club tours	Monthly meeting	
December	Annual report and strategic planning		Club tours	Staff recruitment and training, staff party	Quarterly PD

PD = professional development

people find it a good time management discipline to respond to e-mail at designated points throughout the day.

Also establish a system for taking and returning phone calls. You need to answer the general calls as part of your overall customer service. You may, however, need some assistance in this area. If you hire a person who is well suited for your reception area, that person may also routinely answer and return general phone calls. Calls requiring your expertise can be flagged. Set aside some time each day to return phone calls. There are efficient ways to avoid phone tag. Try being specific about the times that you will be in the office so that you can make a telephone appointment. You can also be more efficient by being specific about the questions that you are asking and the answers that you would like to receive.

Successful time management allows you to accomplish your goals. You've set up schedules and will revise them as needed until you have a smooth flow through each day of the week. You've identified tasks that can be delegated and freed up time to spend on tasks that require your expertise. One final aspect of time management is establishing a system for reviewing your goals and the progress you're making toward them. This is the time that you'll spend on strategic plans for your fitness business.

Work-Life Balance

As a business entrepreneur, you need to be flexible enough to move in and out of daily operations. The immediate needs of your clients and staff may require your attention, but you also need to be able to step back, focusing your energy and attention on your business. You should systematically set aside time to do strategic planning.

As the captain of your ship, you need to be able to guide your business in the right direction for the short term and for the long haul. You read about goal setting at the beginning of this book, and you were advised to review your goals on a regular basis. By setting aside time to review your goals on a weekly basis, and to plan your actions for the next week, you can help your business stay on course.

The winds of change may be affecting your sails and the direction of your business. If you're not reaching the desired outcomes of your business, you will need to review your business strategies. As the captain, you need to be clear on your goals and the steps that you have to take to reach them.

Time management skills are invaluable and should be part of your professional development. Scheduling, delegation, and strategic planning will move you toward your goals. Even the best-made plans, however, can go awry. Sooner or later, illness, inclement weather, power outages, or equipment malfunctions will disrupt your plans. When day-to-day operations get tough, you will have to learn how to manage your stress.

Stress Management

Stress management techniques are something you should master. Encourage your staff to find a technique that works for them. You might even offer stress management courses for your clients.

Try these techniques to help yourself relax and stay focused: conscious breathing, progressive relaxation, and visualization (Archer 2004). You may find one that works best for you, or you may find that mastering several of these techniques will help you through any stressful situation.

Conscious Breathing

Find yourself a quiet spot. Choose a comfortable supine or seated position, and then focus on your breathing. Focus on each breath with a slow inhale and slower exhale. Inhale and feel your lungs expand in all directions—front, side, and back; then slowly exhale and notice how your body feels with the slow movement of the air leaving your body. Repeat this breathing sequence a few times until you feel that your body feels less tense.

Progressive Relaxation

This method focuses on the sequential tensing and relaxing of the muscles. Find a quiet spot and lie on your back. You can begin with tensing and relaxing your toes, then calves, then thighs, and gradually focus on each part of the body as you move upward to the head or vice versa.

Visualization

Visualization can take you anywhere in the world, such as a special place that you have been to or a special place that you have dreamed about. You can make these mental images more vivid by using all your senses. Make the connection to your senses by linking your images to the sights, sounds, smell, touch, and taste of this special place in your mind.

If you are stressed, take a moment to breathe, notice any tension in your body, and focus on releasing the tension. Then take another moment to visit a special place in your mind's eye. If you have more time, remember to give yourself breaks in your schedule—go for a workout, treat yourself to a massage, or take a walk outdoors to feel the natural light and feel the fresh air around you.

We all experience stress. When you're working on stress management, try to become aware of your physical and emotional reactions to stress. What sets off these reactions? If your reaction is physical, the stress management techniques we've just discussed should help you relax. If your reaction is emotional, try to find someone supportive to listen to your concerns. Talking about problems may help you put the problem in perspective or identify a solution.

Try to think about ways to manage the stress. Are you able to change the situation by taking a break? Can you break a stressful task into smaller tasks? Can you delegate? Can you change the situation by modifying policies or procedures? Remember that regular exercise is a great way to manage stress. Rest and good nutrition also help a person maintain a healthy body and cope with stress. If you can't seem to manage your stress, it may help to see your physician.

Let's shift gears and look at one more topic that can help you avoid burnout.

Inspired Growth

The rigors of being the captain of your ship can be tiring, so stay invigorated by staying current with the industry, reading inspirational sources, rewarding yourself, doing something different, and taking a break when necessary. Surround yourself with supportive family, enthusiastic staff, and appreciative clients. You need to take care of yourself before you can be a catalyst for change in the fitness industry.

As you forge ahead to a successful business in the fitness industry, remember to balance your work and personal commitments with your interest in making a positive change in the world of fitness. By knowing who you are and what you want to do, being committed to your goals, and working your action plans, you can be the ultimate fitness entrepreneur. Your story can be one of the many success stories of the fitness industry. You can play an important role in the fitness movement to promote and teach active, healthy lifestyles for all.

Dare to dream. Believe in yourself and do the work. Anything is possible!

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Glossary

adjustable cable machines—Resistance training machines with pulley systems that allow both arms (or legs) to work independently. With such equipment, a stronger side will not dominate the exercise.

baby boomers—Refers to persons born between 1949 and 1963.

capital—Wealth in the form of money or property owned, used, or accumulated in business by an individual, partnership, or corporation.

company share—A portion or part of a company that is allocated a dollar value.

core—Typically refers to muscle groups that surround the midsection of the body, but not just the abdominal muscles. Also includes muscles of the middle to low back plus certain hip flexor and extensor muscles.

depreciating asset—An asset that diminishes in value or price over time.

dividend—A share of net profits distributed to a shareholder in a company.

fitness entrepreneur—A person who develops a business based on the fitness industry.

foreseeable injury—An injury that was predictable, expected, or could have been anticipated.

franchisee—A person who buys into a chain of businesses.

franchisor—A person who sells a chain of businesses.

free body—Refers to a system of resistance training that simply uses the individual's body weight as the only form of resistance (e.g., squats, lunges, push-ups, chin-ups, and so on).

generation X—Refers to persons born between 1964 and 1977.

generation Y—Refers to persons born between 1978 and 1994.

licensee—A person who purchases a license to use a trademark or branded program.

licensor—A person who sells a license to use a trademark or branded program.

limited liability—The scope of liability is limited in the case of a corporation.

mission statement—A few sentences written to reflect the goals and objectives of your business.

multistation gym units—Machines that enable more than one person to work out at the same time. Usually the number of stacks in a unit refers to the maximum number of people that can use the equipment at the same time.

niche—Comes from the French word that means “to nest”; in the case of marketing, refers to a specific group or population that a marketing plan is directed toward.

obesity—Categorized with a body mass index (BMI) of 30 or more.

overweight—Defined as a BMI of 25 to 29.

population density—The amount of people living or working in a specific area.

profit center—A section of your business that is intended to be a revenue-generating source.

subrogate—To substitute one person or thing for another.

succession planning—The process of planning for a change or transfer of a person or persons in the next step of leadership or ownership.

SWOT—An acronym that stands for strengths, weaknesses, opportunities, and threats.

trademark—An identifiable logo or graphics.

unlimited liability—The scope of liability is large as in the case of a partnership, where one partner can be held responsible for the actions of another partner.

wind trainer—A machine that enables a person to use a road bike to ride indoors effectively. The road bike is placed on a base, with the rear wheel secured.