

## The Role of a Membership Director in a Successful School, Part Two

### Introduction

Last month's Strategic Report introduced you to the role and responsibilities of your membership director, a position you may call program director, enrollment director or general manager at your school.

Although part one emphasized that the primary responsibility of every school staff member is student service, the membership director's "other" primary task is to generate revenues for the school from four market sectors:

1. New student enrollments.
2. Active student re-enrollments or upgrades to new programs.
3. Retail sales of pro shop or catalog equipment.
4. Special events promotions (testing, tournaments, seminars, clinics, private lessons, etc.).

Most of last month's report described, in detail, how a membership director could achieve his first goal, and that is to increase new student enrollments. Part two presents additional ideas and methods that will help your membership director maximize revenue from the last three sectors listed above.

### Retention: Active student Re-enrollments or Upgrades to New Programs

Re-enrolling or upgrading students can account for more than 50 percent of a school's income. Renewals should be even easier than the initial enrollment because students are now familiar with your school and its programs and, most importantly, trust you and your instructors.

Virtually all prospects know little or nothing about the martial arts when they first enter your school for their introductory lessons. By the time they are ready for renewals, however, they have first-hand experience of your ability to deliver on the promises you made during the introductory lesson. Conversely, those students who think you didn't deliver on your

promises will probably not renew. The conclusion is obvious: the primary requirement for a renewal is that a student and his parents have a positive attitude about the value of your program and school. To fulfill his responsibility to generate income from renewals, a membership director must spend much of his time promoting that positive attitude with as many students (and parents) as possible.

The first step for a membership director is to create a statistical "picture" of the student body, in terms of each student's likelihood of renewing. The A-B-C groups method is the easiest and all you really need.

List three groups on a sheet of paper.

- Group A are the names of students who are certain to renew.
- Group B are the names of students who could renew.
- Group C are the names of students who would not renew today.

In briefest terms, the membership director's next step is to:

- Schedule appointments with the A-group students.
- Chat with the B-group students.
- Salvage as many C-students as possible.

The wise membership director uses the following proactive techniques, however, to minimize the number of C-students and maximize the number of A-students. By thinking ahead, the membership director renews the most students with a minimum of effort at the time of the renewal and faces virtually none of the "heavy lifting" involved in repairing whatever damage has caused a student to be listed as a C-student. If your membership director does his job correctly, then most renewals will renew themselves.

**Proactive Renewal Step 1:** Pre-framing is a term and concept that should be familiar to you and an integral part of not only your introductory process, but also every opportunity you have to communicate

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individually with a student and his parents. At the best and most successful schools, pre-framing is a constant; it is an essential tool that is always working.

A proper presentation of the pre-framing concept requires its own report or even small book; however, for the purpose of this report the primary pre-framing of a student occurs during the introductory lesson. Many school owners present the goal of a Black Belt as the principal reason for martial arts classes. Promoting this goal with students and parents prepares them for the commitment of time and money to achieve that goal. Simultaneously, you present the benefits of martial arts training and training at your school, which equates to the value students and parents must perceive in your program to be willing to enroll and renew.

An introductory lesson isn't complete until the student's goals are specifically defined and written, so they become almost a contract between you and the student. Each party should understand (and continue to understand) that it has an obligation to the other party: You promise to provide quality training that will help a student achieve his goal of Black Belt; the student promises to work hard for and achieve his goal (which naturally requires renewals and upgrades).

**Proactive Renewal Step 2:** The membership director has made a contract, a promise to the student, but now he must ensure that the promise is delivered. The successful membership director knows that renewals are not sold in the office, but on the mat. He can use three techniques to be a proactive force during the training process, thus maximizing future renewals.

- 1). He must explain to the instructors that they must encourage students to focus on the benefits of long-term martial arts training. Students must be taught to understand how important their martial arts training will be to their career, their leadership potential, a great family life and a prosperous future.
- 2). The membership director should monitor classes to be sure students are benefiting in fundamental ways: fun, entertainment, high-interest, safe, motivated, etc.
- 3). The membership director checks that child-age students are practicing at home and instructors are emphasizing the benefits of home practice.

**Proactive Renewal Step 3:** As mentioned above, pre-framing is a constant tool you must always be

using. The membership director continues the pre-framing process with "student progress meetings." Their purpose is to meet with students and their parents periodically to determine if the student is receiving the training promised, benefiting from it and advancing through the ranks. These meetings help to maximize renewals because they allow the membership director to monitor each student's (and parents') current attitude toward renewing.

After a number of student progress meetings, students and parents are more relaxed in that forum and are more apt to treat the actual renewal conference as just another meeting, making it much easier for the membership director to close the upgrade and achieve his renewal goals. If conducted correctly, students and parents will come to perceive the progress meetings as the school and membership director's genuine interest in the student's training and advancement.

**Proactive Renewal Step 4:** Many of the martial arts professionals who teach renewal seminars state that most students and parents' interest in renewing oscillate on a regular basis. Some days they are happier with the training than other days, so their interest is like the line of a wave, peaks and valleys. Your membership director must always know just where each student and their parents are on that wave, if not daily or weekly, at least on a very regular basis. For, if you try to renew a student when he is in "the valley of his interest," then he is unlikely to renew. Ask him to renew when he is at his "peak of interest," and you maximize the number of renewals. One of those peaks for most students is just before or after a belt exam.

The membership director's secret is to avoid asking for a renewal when the student is able to say, "No." When the membership director knows the student is at a peak in his interest, then he is ready for an upgrade conference. To ensure that his or her answer is "Yes," the membership director must ask for the renewal when the student is experiencing impressive results from his training inside and outside the school and be prepared with a payment plan that fits the family budget.

**Proactive Renewal Step 5:** A membership director also has a responsibility to the school, during the renewal process, to maximize revenues with a smart mix of down payments, cash payments and payment plans. As explained in part one of this Strategic Report, these pricing and financial details are the responsibility of the school owner, but the membership director's input is also valuable.

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## Retail Sales of Pro Shop or Catalog Equipment

The third income-producing responsibility of your membership director is retail sales of pro shop or catalog equipment.

Detailed information and ideas about marketing, merchandising and promotion of your pro shop would again require a separate report (or many). This report will highlight those that are essential to make your pro shop a strong, alternative profit center.

Let's start with the obvious: every student needs uniforms and various types of training and home-practice gear. If they are serious about their training, then they must purchase these items from someone, so it might as well be you.

Uniform and gear needs should also be a part of the pre-framing process. Many successful schools create lists of specific gear required for each belt level and special events or programs in which a student may participate, such as demo teams. The appropriate lists are presented during the introductory and/or renewal process, so parents know the total financial commitment of their child's training and you are better able to predict your inventory needs and project sales goals.

Once students and parents are properly pre-framed about uniforms and gear, then those purchases become accepted and expected. The membership director can even help students select specific items and make sure they are delivered directly to the student after class.

The membership director, under the direction of the school owner, should also develop a retail sales plan. It would include all of the specifics for operating a pro shop: displays, inventory, personnel, sales process, marketing, accounting, ordering, etc. The most important element of a retail sales plan is projections of inventory needs and sales goals. The membership director is not only responsible to maintain inventories, but also review sales data and compare them to sales projections. When sales are not achieving goals, then he must be proactive and develop and implement programs to boost sales.

Other retail sales responsibilities of your membership director include:

- Develop an annual calendar of retail sales events and promotions, such as holidays, tournaments,

community events, gift certificates, special products flyers, clearance sales, etc.

- Plan and coordinate annual or semi-annual clearance sale.
- Re-stock the pro shop inventory and change the displays weekly.
- Network with other schools to compare retail strategies and results.

## Special Events Promotions

Special events (the fourth of a membership director's income-producing responsibilities) are often untapped sources of additional revenue for many schools.

A proactive membership director will develop a comprehensive, annual plan to maximize income from such events as testing, tournaments, seminars, clinics, camps, after-school program, private lessons, etc. This advanced planning makes promotion of your events easier, and you are more likely to attract enough interest to deem your events successful.

The membership director then serves as the primary coordinator of each planned event. Some of his coordinating techniques include:

- Display a list of all special events in a prominent place in your school.
- Write announcements of events that instructors read to students at the end of every class.
- Add and maintain a special events page on the school's website.
- Create promotional materials: signs, posters, flyers, emails, letters to parents, etc.
- Write and distribute press releases to the media outlets in your market.
- Remind students and parents of special events during any conversations with them.
- Coordinate phone-call campaigns to promote special events.
- Maintain a schedule of private lessons and available instructors..

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## Maximizing a Membership Director's Daily Results

A membership director's responsibilities don't end with serving students and maximizing the school's revenue. In most schools, he has other duties, as well. Tasks and results are a function of time, however; there are only so many hours in a day and days in a week.

Use the following exercise to help you and your membership director plan a typical week and maximize his results.

This exercise can be completed with lined sheets of paper, if you want to go analog, or with a computer program, such as Excel, if you want to create and store it digitally.

### 1) Create a membership director daily work form.

- Start with a sheet of paper (or Excel page) for each day the membership director works. We'll use six days as an example.
- Designate each sheet as a day of the week; write the day's name and date at the top of the sheet.
- In the left column of the page, write the hours of the day, 8 a.m. through 10 p.m.

### 2) Complete the form for the first (or typical) week.

- Group 1 Activities: Write opposite the appropriate times:
  - Start time
  - Finish time
  - Lunch and break times
  - Personal training time
- Group 2 Activities: Write opposite the appropriate times:
  - Introductory/enrollment appointments (and time reserved for appointments)
  - Renewal/upgrade appointments (and time reserved for appointments)
  - Time reserved for the membership director to assist during classes, especially as it relates to observing new students and prime renewal candidates and pre-framing opportunities with all students and parents.

- Group 3 Activities: Write opposite the appropriate times:

- Attendance checks and phone calls to non-attending students.
- Progress-check calls to new enrollments and upgrade candidates.
- Organize and update new enrollment paperwork, call lists and events planning (at least one hour per week).
- Designate peak traffic times during the evening when your membership director must be interacting with students and parents at the front desk or on the floor to provide maximum service.

- Group 4 Activities: Write opposite the appropriate times:

- Change retail displays.
- Develop and implement special income-producing activities.
- Clean and organize the office.
- Complete end-of-the-day reports and other statistics.

### 3) Once you've provided time for these four groups of activities, then you and your membership director will easily find additional time to expand his roles and responsibilities.

- As you complete more of these forms every week, it will become easier, and you and your membership director will discover that there is more time to accomplish even more.
- It may be helpful for your membership director to log the actual activities and tasks he performs during a week, so you're able to compare the planning form with the actual work accomplished.

## Statistics: The Final Responsibility

Eventually, the job of a membership director is really a numbers game. Without gathering, maintaining and analyzing your school's fundamental statistics regularly, your membership director will be incapable of doing his job and generating the kind of results you expect.

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A membership director must be a “statistical geek” with the following numbers, either memorized or at his fingertips at all times.

- Number of active students (participated in at least one class) during the last seven days.
- Number of active students during the last two weeks.
- Number of active students during the last 30 days.
- Number of inactive students (both those paying for and not paying for lessons).
- Number of active students whose tuitions are not paid to the current date.
- Number of students who owe deferred down payments and those payments are due.
- Number of students not enrolled in a Black Belt program or other second- or third-tier programs.
- Number of student eligible for renewals during each of the next 30 days for a 90-day period.
- Number of students not paying full tuition because of family plans, complementary enrollments, trade agreements or other discounts.
- Number of daily, weekly and monthly inquiries (from phone, walk-in traffic, emails, website, etc.) required to achieve enrollment goals for those same periods.
- Number of prospects that inquired about lessons during the last 90 days (minimum), but did not schedule appointments.
- Number of prospects that scheduled appointments during the last 90 days (minimum), but did not honor their appointments.
- Number of prospects that honored their appointments during the last 90 days (minimum), but did not enroll.
- The average active student value, calculated by dividing the average monthly total revenue (six-month minimum) by the number of active students for one month.
- Number of students who will need sparring gear during the next 60 days.
- The top membership directors in the country.
- The top five schools in retail pro shop sales in the country and their strategies and methods to achieve their sales records.
- Daily revenue totals from new students, renewals, pro shop and special event sales to fulfill the school’s financial needs and goals.