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**Sure-Fire
Ways to Shoot
Yourself in the
Foot & Derail
Your School's
Progress**



Stephen Oliver's
**MARTIAL ARTS
WEALTH MASTERY**

Martial Arts School Owners...

There's this frustrating phenomenon associated with any coaching or mastermind program and a few years ago, I was so frustrated that I sat down and wrote a multiple-page letter about it. It consisted of a pretty emotional rant and I ended up sending it to all of my coaching members at the time.

Here's the problem... A lot of school owners end up doing the 7 same things that are the equivalent of shooting themselves in the foot, causing them to derail their progress.

In this guide, we'll explore the 7 things that sabotage even the most successful school's growth.

Ready to dive in?



1 | Too Low of Expectations

Many people seem to come into something like this with expectations that are too low. If anything, our problem with those who aren't members of our program is that they think we're lying when we talk about the HUGE Net profits that schools on our team are achieving.

In fact, it's human nature to not see the next summit until you've climbed the current one. Here's what I've seen happen MANY times: schools go from numbers like \$17,000 gross to \$42,000 gross or, from \$50,000 to \$85,000 a month – in just a short period of time – only to have it BACKFIRE.

When someone goes from \$4,500 a month in personal income 2 to 3 times that much in personal monthly income, their vision of self-worth, lifestyle potential, business and personal opportunities don't keep pace. Many have hit this new level (several were only at \$20,000 gross – most were somewhere between \$50,000 and \$80,000 – double or triple or even ten times where they started) and suddenly think that's all there is to accomplish. Sometimes, they think they know "all of the secrets", other times they think they've maxed their potential, while others think they have enough ideas for the next 4 or 5 years.. so why keep learning?

Unfortunately, there's no such thing as a plateau. To quote Ray Kroc (CEO of McDonald's – took them from 1 location to close to 9,000 before his death in 1984)...

*As long as you're green, you're growing.
As soon as you're ripe, you start to rot.*

- Ray Kroc

I've seen many who made HUGE Gains – back out – only to CRASH after leaving. Often after facing unexpected challenges or unexpected market shifts. Others begin a slow descent at first, so much so that it looks very much like a plateau.

The momentum was not about a few ideas, but rather about ongoing support. Frankly, in martial arts: it's no different as you move to higher levels. You continue to need a teacher, mentor, coach to continue growing and your skills degrade if you shift to being "self-taught" at any stage. Look no further than Arnold Palmer & Tiger Woods looking to work with their coaches to get back in the game. Or, Mike Tyson's direction upon losing his coach/mentor.

ALWAYS set new goals for yourself that are "out of reach" but not "out of sight".

Suggestions:

A. Constantly upgrade your lifestyle: Build stable income from your school and then go buy a Rolex, Panerai, or AP. Get the Porsche or Mercedes that you've always wanted. Find and set a goal for your dream house. Get over whatever issues that you may have about living too well or about buying expensive things.

Ultimately, everything counts. The Rolex Submariner on your wrist is a nice "social indicator" for the higher end clientele that you are hoping to attract. One coaching client that I had REALLY took off after getting rid of the house he'd been living in "next to a crack house" and moved into a 5,000+ square foot home with separate office, 5 car garage, and pool.

At some level this is about new higher goals – and, at a different level it's about expanding your sense of "self-worth" and growing into your career.

B. Set Strong "VISUAL" goals about how you want your business to operate and what you hope for it to look like: Really move your expectations up and build the model or have the blueprint for what you want your school to be like.

C. Build your Net-Worth: We added Peter Harnisch to our team to facilitate making sure that we were not only developing \$1,000,000.00 plus schools but to insure that we were creating Millionaires. Take 10 – 20%+ off the top of your gross to "pay yourself first" and, up in "untouchable" long-term investments. You want to have wealth as well as income.

2 Too Smart for the Room

Some often come to the conclusion that they are smarter or doing better than the majority of other people - so why continue to participate?

I learned the error of that thinking by watching Ron LeGrand take ideas from me and a bunch of others that were doing 10% of what he was – he took ideas that might be worth \$100,000 to me. When I shared with him that he added \$1,000,000 or more (even after flying in on his G5) he was looking for ways to add 1%, 10% or more...

Frankly, bigger operations have MUCH HIGHER LEVERAGE than smaller improvements. In the past, I benefited much more from adding 5% to a \$2,000,000 operation than friends who were running \$30,000 or \$40,000 per month schools.

I personally experienced this for many years with EFC. I was by far the largest school for many years among the EFC Board of Directors. However, each time I attended, I learned something that I would implement and became reenergized. Along the way others grew (perhaps, in part from my ideas or example) such as Keith Hafner, Buzz Durkin, Steve LaVallee, Tim and Dave Kovar and others. As others grew their business, it motivated me to stay ahead or keep up, and everyone brought good ideas to the table.

3 | **The Consultant Syndrome**

A bunch of the folks running around the industry now trying to be a Marketing Consultant came from my coaching groups (or Mile High Karate Franchise). Many fit the definition of having “consultant syndrome”.

One went from \$7,000 to \$20,000, another from \$5,000 to \$15,000, and another from \$12,000 to \$35,000 then decided they were the “Guru” of Internet Marketing, Direct Response Marketing, Sales, or some other business function. Some think that since I “charge so much” that they can do the same thing at ½ or a ¼ and be happy.

One was struggling to cover his lifestyle costs of \$2,500 a month and decided to steal from me, ideas, customers, and content and become a direct marketing consultant. Others just good naturedly stumble into helping others and decide to be a competitor.

Now, let me tell you a couple of things...

YK Kim and I discussed this openly at a recent seminar: If I had the “disposition for it” I’d make A LOT more money running one big school (or 5 or 10) that I own outright than from all of the coaching and consulting I’ve done. I do this as the next step of “personal actualization” and frankly, just because of the actual day to day of school operations and the people management that goes with it – it’s annoying.

I was making a strong six figure income and was running successful schools by the time I was 24 – in 1987 Mile High Karate grossed \$3.4 Million (in inflation adjusted dollars) and grew from there. My teacher/friend Jeff Smith is marvelous at supporting school owners but also loves the day to day of a school and school operations.

Until recently, he operated out of our training center in Northern Virginia for day to day. He now has sold that and has moved to having time to work with Martial Arts Wealth Schools one-on-one, in person. Meanwhile, I operate out of my 2,000 square foot home-office.

Different personalities and different strengths.

We do have to recognize, and address this issue directly. We are happy to consider a couple of things. First, a joint venture on projects that will truly be “world class”. Second, approving and supporting ventures that are non-competitive.

We do frown upon (and will have a policy of) not having members in Martial Arts Wealth Mastery who are directly competing with us or using access to our members to replicate our service.

It will come as no surprise some of the most high profile consultants in the industry – are paying attention to everything we do – and, doing a poor imitation, with limited understanding.

4 | It's Never a Straight Line Syndrome

I discussed in my book, "Everything I Wish I Knew When I Was 22" that business success is rarely a straight line to the target. Most successful businesses have had years "in the red" and I've personally experienced 2 major "crashes" in 31 years.

I think about it like a boxing match or kickboxing match. If I've won 35 or 36 of 40 rounds I've done pretty good, most of those were 10-8 or knock-outs. Look at Donald Trump and Steve Jobs. Jobs was fired from his own company – during this time, Microsoft came to dominate his industry – until returning to Apple and again surpassing every other tech company. With Trump, I like the Marla quote (remember wife #2?)... She said that she and "The Donald" were walking down the sidewalk when he said "Marla, see that bum on the grate, he's worth \$280,000,000 more than I am."

We're all going to have times that we took the eye off the ball, times when we made some bad choices, and other times when circumstances got the better of us. Staff problems, divorces, illnesses, and recession can knock you off your fast growth trajectory.

I've experienced everything under the sun other than personal illness, I've always been pretty healthy. There's no scenario from divorce to staff dating underage students, to every possible staff problem (by the way – the letter I talked about earlier is on the hard-drive of the Mac Laptop my former assistant/secretary stole while "disappearing" from the job – never to be heard from again) that I haven't seen before.

The solution is to make QUICK course corrections and get back on top.

Unfortunately most people hit their first major road-block and then give up. In my case, being able to lean on a coach and peers who had "been there done that" always got me going again. Whether it was Jeff Smith, Dan Kennedy, Lee Milteer or Kennedy's now-defunct "Platinum Group", having someone else who's been there and came roaring back is helpful. I had that conversation with Dave Kovar a couple of years ago – walking him in confidence to my conference room with the admonition: "It's never as bad as you think it is." Stay positive and get moving and things will get better and you'll hit new heights.

*I don't measure a man's success by how high he climbs
but how high he bounces when he hits bottom.*

- George S. Patton

An interesting story by the way. When I first talked about working directly with Chuck Norris on the "Good Housekeeping Seal for Martial Arts Schools", it was an idea to solve his financial crisis. He had \$60,000.00 a MONTH in alimony – and no movie prospects on the table.

He was scrambling to figure out how to prevent ANOTHER major financial crisis (he got into acting after going bankrupt with his chain of martial arts schools). Unfortunately, for me he signed the contract for Walker Texas Ranger the weekend I was visiting at his Lone Wolf ranch in Navasota, thus solving his financial problems. It seemed like things were going to be fine – until the production company, Canon Films, went out of business during the first season (and the CEO went to prison as I recall).

5 | On to the Next Guru

It's natural for people to look for the next Guru – however, it's typically pretty unproductive. I've seen some “jumping from lily pad to lily pad” each time disrupting their operation and getting off track. Within our industry, it leads to the hodge-podge of unrelated systems that may create revenue but becomes a HUGE headache and cuts deeply into the NET.

Several studio owners are back in Martial Arts Wealth Mastery after looking elsewhere for “greener grass”. We welcome them back – however most dropped considerably or at best “slide along laterally”, during their absence.

You are at the top of the pyramid when it comes to the Martial Arts Industry. There are other “coaches” who are more appropriate for a part-time school or someone operating the “Y” or rec center (we've only accepted full-time schools over \$200,000 a year in 2022 and beyond). We only occasionally make exceptions for client referred recommendations. Working with anyone else is a dangerous step down. Just look at the many \$1,000,000+ schools and the many members who've added \$250,000 or more to their personal incomes.

Another even less productive trend is doing the opposite of what's really useful. As your career develops you go from “general information” to increasingly more “highly specialized information”. You stop benefiting from general knowledge and start to need VERY specific and specialized information about your particular need, industry, or problem.

An example would be going from “generalized” marketing knowledge (of the sort taught in a college program on Marketing) to more useful and specific marketing assets sold by Nightingale Conant or one of the of “Marketing Guru’s” like Jay Abraham’s \$25,000 two day seminar or hiring directly a copywriter or consultant (paying Dan Kennedy \$19,000 or the day), or simply finding someone who’s distilled that information directly and applied it to our industry and situation with huge success.

That's the natural (and correct) course of events – going the other direction is not useful. Don't get me wrong, I believe you should read Kennedy's books, pay attention to Halbert, Abraham, Carlson, and all of the others. For a comprehensive list of reading recommendations see my book “Everything I Wish I Knew When I Was 22”.

However, we've had a few who think that going from specific actionable information and strategies to more general information is the way to go.

That ALWAYS BACKFIRES.

"In JKD, one does not accumulate but eliminates. It is not a daily increase but a daily decrease. The height of cultivation always runs to simplicity. Before I studied the art, a punch to me was just like a punch, a kick just like a kick. After I learned the art, a punch was no longer a punch, a kick no longer a kick. Now that I've understood the art, a punch is just like a punch, a kick just like a kick. The height of cultivation is really nothing special. It is merely simplicity; the ability to express the utmost with the minimum. It is the halfway cultivation that leads to ornamentation."

- Bruce Lee

I had enrolled over 35,000 students into my own schools through internal events, direct mail, telemarketing, community outreach, and broadcast media ranging from major newspaper budgets to 30 second spots and long-form infomercials. This was before I ever heard of Jay Abraham, John Carlton or Dan Kennedy. Tim Kovar, Keith Hafner, and I spent a ton of money and time learning from Jay Abraham and then a couple of years and nearly \$1,000,000 between us getting any of it to work in our specific industry.

I've tracked 7 different former coaching clients who became Kennedy, GKIC, groupies. One has continued to grow (Lloyd Irvin who went from \$7,000 a month to over \$60,000 with my help until he encountered serious problems) The other 6 are WAY down from then I was actively working with them. They were confused and frustrated and blamed the economy for dropping by 50% while I've coached others to grow by 200% or more. Their material would have been nice support to what we were doing – but it's more general and far less actionable. Three that I know of bankrupted their schools.

In the case of my working with Kennedy I've found much value in building the franchise and developing Martial Arts Wealth Mastery. I'm not sure if much (or any) has translated itself into martial arts schools. The best concept that I continue to repeat from Abraham is simply the "Parthenon" concept . In other words "do a bunch of different stuff" to get new students – and, charge a lot more than anyone else – value what you do. While it's extremely useful to study Tom Hopkins, Zig Ziglar, and Brian Tracy on sales, I recommend that you read all of their books, buy all of their CD's and DVD's. It's 1,000 times more valuable to study, script, and memorize the Sales Training Bootcamp that we have online on our member site. Going from "general information" to the specifics is the way to move from \$50,000 a year to \$500,000 a year then to \$1,000,000. Specialized information is always more expensive. Sometimes, it's much more expensive. But the only finite resource is TIME. Money is infinite and abundant if you believe that and know how to scoop it up.

6 | Sliding Along Laterally

A final concern is perhaps a repeat of the “there’s no such thing as a plateau” concept. In all levels of Martial Arts Wealth Mastery it’s essential for us to monitor the thinking that goes on in the room. RISE TO THE OCCASION and be on the fast growth track this year and have the highest expectations for your professional success. I’m expecting that many of our participants will add \$100,000 to \$250,000 or MORE to their net income this year. I’m working hard to make sure that YOU ARE ONE OF THEM.

7 | Saving Money

Many school owners try to save money ignoring \$100 bills to save pennies, in relative terms. My rule of thumb has always been to keep expenses at...

- 12-15% of the gross for rent
- 25% of the gross for payroll
- 12-15% for advertising

In general, you should do anything that produces a 3 to 1 or more return on investment. The highest leverage is personal growth and support. I’ve set aside \$100,000+ per year since 1984 for my personal and business growth and support. That included formal education, but most important “master-mind” coaching, and mentorship from some of the most expensive coaches available.

“If a man empties his purse into his head, no one can take it from him. An investment in knowledge always pays the highest return.”

- Ben Franklin, America’s First Billionaire & Brilliant Founding Father

Let’s Grow Together and Mutually Support Each Other’s Achievements!

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