



How to Attract, Hire, and Retain Amazing Trainers – A High-Level Masterclass with Luke Carlson (Masterclass for FEB 2024)

Lawrence Neal: Welcome, everyone, to the February 2024 HIT Business Membership content.

I'm really excited to do this today. And we do this every single month and previous expert guests include Luke Carlson, who's with us today, people like Jeff Tomaszewski, Pete Cerqua, and more recently Dr. Doug McGuff, Dr. James Fisher, and many more. We try and bring on both HIT business experts and also health and fitness and training experts who are going to help us with the operations side of the business as well.

As I've already mentioned, today's expert is [Discover Strength](#) founder and CEO **Luke Carlson**. For the very small number of you who don't know, Discover Strength is a Minnesota-based strength training studio built on the principle that busy people don't have time to waste on workouts that don't work.

Discover Strength delivers 30-minute strength training workouts, twice per week, with exercise physiologists. They help their clients look and feel their best in a fraction of the time. Discover Strength have over 35 locations open or in development across the United States. Very exciting to see.

So, during the content today, the main focus is going to be on how to hire, how to attract and retain great trainers, which – second to acquiring more customers – is probably the most common question I get or the most common challenge we see in high-intensity training.

So, the first half of this, probably 30 minutes or so, is going to be a step-by-step with Luke on how to hire and how to retain great trainers. I'm going to be walking Luke through that and allow Luke to share his perspective and fresh insights.

And then, the second half is going to be Q&A. So, what I would do is if, as, and when questions come up during this, please note them down and we'll save those for the second half. Me and Luke are really keen to get to the Q&A because we think that's where most of the value is. And so, we'll try and get there as quick as we can.



So, Luke, thanks for doing this. Great to see you. We're so grateful for you taking the time to do this. I know you're very busy growing DS. So, look I try to come up with a structure starting with how to hire. And I look back at some previous stuff we've done because you and I have already done loads of stuff on this.

So, for me, this was – and I don't know how much this has changed; I'm going to assume it hasn't changed very much, but... – it's more like a recap with a kind of a “Luke's 2024 mindset” on this, I guess is where I'm thinking, where I'm thinking about it. In terms of how to hire, I broke it down into four steps.

You tell me if this is incorrect. Employment strategy, number one, so principles there, right? Number two, attract with a website. Number three, internships and number four, marketing, all the different channels you might use in terms of attracting the right people. Obviously, that's not talking necessarily about the hiring process in terms of the different interview stages, which comes afterwards.

But is that a good structure for how to hire or would you insert anything else into that?

Luke Carlson: No, I think that's great, Lawrence. That's perfect.

Lawrence Neal: Perfect. All right. So, let's kick off with – number one – employment strategy. So, this is obviously how we're thinking about hiring before we're even going out to market.

Luke Carlson: Yeah. So, a couple of things I think that someone needs to reflect on before they really dive into this. Here're the key questions:

Number one, you need to hire somebody right now. And a lot of times we think that we need to hire somebody right now because we feel like the business is growing and we've always viewed our business as a business. It's going to have multiple personal trainers, but from a data standpoint, are you actually ready to hire a personal trainer?



So, if you make this higher, and it's going to be a full-time person, or maybe it's going to be a part-time person – which we need clarity around that – do you have the volume of clients to hire this person?

Do you have clarity around when you hire this person?

Are you going to expect them?

To acquire clients themselves, find clients, sell clients, retain clients themselves, or are you going to hand your clients off to them?

Now, as we walk through all of these questions, Lawrence, I'm going to say, “Hey, this is what I've always done. This is what Discover Strength does,” and I'll mention a few things we've tried that I just don't think work. Those aren't the right answers. That's just been our philosophy.

I'm going to frame up what you got to wrestle with. And I'll often say, “here's where we landed in this big decision”.

So, for us, we hire full-time people. When Discover Strength launched in 2006, for the first few months, I hired part-time people, right? And it was easy to hire part time people. ‘cause I knew when our busy times were going to be: they were going to be from 4 o'clock., p.m. to 8 o'clock p.m. We're also going to have busy times from 6 a.m. to 10 a.m. So, it's very easy for me to have a part-time person come in and work at a four-hour shift, be loaded up with clients. They could leave and I could be there all day. And as we had clients trickle in and out throughout the day scheduled sporadically, I could pick up all those clients.

I knew when a trainer was going to be in the facility. They were going to make money when they were in the facility. We transitioned pretty quickly to deciding that we wanted full-time people. We'll comment a little bit more about that decision. The first one is, do you want to or do you need to actually hire someone?

A lot of times what we find out is the owner, the primary owner, let's say owner-operator-trainer is not generating enough revenue where they can hand off a number of their clients to another



trainer. They're not ready, right? So, you got to decide what's the volume of clients that you can handle working with.

And you've had so many guests on your show over the last eight years that can handle different, different volumes of clients. That Doug Hollands of the world can train, I don't know, 120 people in a week and Pete can train a 100-plus people in a week. And my trainers can maybe train 50 or 60 people in a week.

And they think that's a crazy week. So, it's individual, but if you're expecting that 50 is a normal volume of clients and you currently are training 50 and you try to hire that might be pretty tough because are you going to offload a high percentage of your clients to this other trainer? And your income really takes a hit. So, we've got to think about that first.

Now, if you think that you're going to hire someone and you're going to say, "you've got to build the business yourself. This is my first way in here," I think that's the wrong decision. You have this entrepreneurial urge, this entrepreneurial instinct where you want to grow the business. I don't think most of the trainers that you're going to hire are going to want to do that.

And if they do want to do that, they should start asking themselves, what value are you providing me? There are a plethora of gyms worldwide where you can rent space and you can train people there. So why would they want to train?

Why would they want to work in your business? When they have to find their own clients, you're going to take a cut, a large percentage of the revenue that they're generating. What's in it for them? So, that's always the mindset when it's what's in it for them. So that's the first question.

I think a lot of times in our field, we are in our kind of little corner of the industry. We're hiring too early — that's number 1.

Number 2, I think this is the most important question: Are you the person that's your ideal candidate? Yes. Is looking for another way to state that, are you the person that the person you're looking for is looking for?



Okay. Now, if you really answer that question, if you're really thoughtful around that question, you're going to find out, "Ooh, I got to make a few changes, my ideal candidate. Let's go through".

This is how the exercise works: you write down all the things you're looking for in the ideal candidates.

They're educated.

They're on time.

They're in shape.

They are a great communicator.

They have passion for strength training.

They're constantly learning.

They have a growth mindset, whatever it is.

You come up with 10 things or 12 things and you have this wonderful list.

You look at that list and you say this ideal person, what are they looking for in a leader or a manager or an employer? Are they looking for you?

And what you find out pretty quickly is, "Oh, shit. I got to change me because I am not the ideal person that my ideal person is looking for".

And unless you can become that ideal person, you're not going to be able to hire that ideal person.

So, you got 2 choices: you can change your mindset on who that ideal person is. You can lower the bar for who you're going to hire, or you can decide, "All right – of this list of what I need to work on, what are the top 3 things I need to work on"? And that could be as simple as something around your own leadership capabilities. It could be your ability to pay, your ability to provide compensation and health insurance and 401k and things like that.



So, you have to understand, “what is your ideal person looking for”? Get that on the list and decide, “how do I chip away at becoming that ideal person”? I think that's the most important kind of esoteric philosophical question that we have to wrestle with.

So that's number two.

The third is, “what's our vision for this person”?

Are we looking for – and we referenced this a second ago – are we looking for a part-time person? Are we looking for a full-time person?

When by “full-time”, I don't just mean 40 hours a week or 5 days a week; “is this person a *career person* that's really going to get compensated, or am I the genius with a few helpers and I'm looking for a helper that can pick up a few shifts and they might be very part-time, and they're teaching spin class and bartending and a tennis instructor on the side”?

There's nothing wrong with that. But you need clarity on that, because if you are constantly daydreaming about, you're going to have this full-time person that's all in and living it and breathing it. But, man, the way you post jobs, which you can offer in terms of compensation, the leader or manager or the employer that you've become doesn't align with that. You're going to have an issue.

So, we need clarity on the kind of person that you're looking for. I just call it the vision for the person.

And that includes: do they need background in strength training? Do they need background in high-intensity training? Are they supposed to be college-educated? Do we want them to be full-time? Are we looking at part-time? Do I want to retain this person for the long haul? Or is it, can they get me through this particular season? Is it someone that's going to have to go out and build a business and find their own clients?



And I'm just going to mention this because I've heard so many high-intensity training entrepreneurs state this is, "I found my clients. I built the business. I'm going to expect you to do the same thing" – I don't think that's the right approach.

I think we should be offloading our clients or transitioning our clients to that person. That's my opinion, and it might be controversial. So that's the starting point. Those are the 3 most important questions from there.

We have to know what – and let's not be exhaustive here – we have to know the values of our company are, and we need to know what the purpose of the company is, because if we're hiring people, we're trying to hire around values and around purpose.

And we're not trying to get someone to adopt our values or adopt our purpose; we're trying early on in the interview process to say, "this is what we believe and these beliefs – they're actually value neutral; there're no right or wrong beliefs – but if you believe in what we believe, man, we should work together. And if you are inspired by this purpose...", and we talk about purpose. I like to say "core purpose", but purpose is just. Yeah. The *just cause* that all of the work that you do is serving, right?

It's the infinite game that we're playing. It's our fundamental reason for being. You have to be able to share what that *just cause* is. Do you want to be a part of this *just cause*? We know that *Gen X*, that *baby boomers* cared about purpose. We know that *millennials* and *Gen Z* care that much *more* about purpose.

And so, we have to be upfront and say, "here's what the purpose of the organization is. If that's a purpose that you share, if it's a purpose, cause, or passion that you share, you should come work with us".

So, you got to know what your values are, your core values, just state them and what your purpose is. And you and I have done a lot of content on both of those, but that's going to be key in our interview process.



And when we get to the tactical interview process, I'll talk about how we actually share that the second thing you need. So, this is our step into a little bit more tactics is values purpose.

The second thing you need is, "what are the 5 key roles of this position"? Now, this is very much an EOS / Traction tool, but if you don't know what you expect this person to do, it's going to be tough for you too.

Market the position, advertise the position, start recruiting, actually hiring and onboarding this. And this is where it gets into the nuance of, are they going to be expected to sell it all? Or are they just going to be delivering? And I shouldn't say just, are they going to be delivering sessions?

So, we know what our five key roles are. One of them is not selling, but one of them is you got to retain. So, the clients that you're working with, you better be retaining those clients. And if you can't retain the clients that we're putting on your schedule, that are ending up on your schedule, we have a serious issue.

So, I'll give you a couple examples of our five key roles.

One of them is knowledge of evidence-based / HIT methodology – you have to know your stuff. That's number one.

So, you got to spend a lot of time really learning. That's number one.

Number two – this is no particular order – number two is retain clients.

And number three is be a teacher – you can have all the knowledge in the world, but if you can't teach somebody why you're doing what you're doing or why they're doing what you're doing, you're not going to be very successful.

So come up with a "five key roles of this position". So, when you put it in front of a candidate, you're asking, "do you want to do these things"?

And when you're interviewing that person, you're asking yourself, "Can they do these things"? And specifically, you're asking, "Do they get these things"? "Do they want to do these things"? "Do they have the capacity to do these things"?



But you need clarity on those key roles. So, our second step of nuances, values, and purpose, and then to actually have the key roles identified.

From there, now we get into the tactics. We get into job postings and interview process and so forth. Let's pause there, Lawrence, and I'll let you steer me in a different direction or ask for clarification.

Lawrence Neal: No, carry on, because this is, I'm just looking at time. I think we might need to just speed up a little bit.

Although I felt like what you said was so fundamental, though. And probably where you wanted to spend most of the time. Because if you don't get that right, none of what we say after is going to matter as much. No, please resume and let's get into if this is part of your list website and marketing tactics and maybe internships.

Luke Carlson: Yep. And I'll go much quicker on the rest of it. The reason I was a little slow on that first part is that's the part that everybody skips. Everybody's interested in this next stop part. I think a lot of companies do this next part. Most companies don't do the previous part. And that's why they end up with, I think, poor hiring decisions – that's why they end up with people that don't work out.

When we think about posting the job, I think here's our key avenues for marketing the position: Number 1 is, I think you should have relationships with universities.

If you are in a city, if you are, in a town where there is a college or university with an undergraduate program on kinesiology or exercise science, develop a relationship with a few of the people that are teaching the classes where these exercise science students are coming out of.

That doesn't mean you have to know everybody in the department, but you have to have a couple of key contacts and say, "if you ever come across a student that's interested in strength training or interested in personal training, send them my way and then say, hey, once a semester, could I come in"? And give a 15-minute presentation to your class.



And a lot of times that professor, that instructor will say, "I'll let you teach the whole class. I want you to do a class on some topic of strength training," And then you're in front of them and you get to pitch your opportunity. So that's number one: relationships with colleges and universities.

The second one is what I would call the basic job posting platform: So, this is LinkedIn, this is paid LinkedIn. This is potentially the job boards that the universities will actually have. So those are our *go-tos*: LinkedIn, paid LinkedIn, *Indeed*, and then any of the university job boards.

Now let's talk about what you're actually...

Lawrence Neal: ...quick challenge: You never used to like Indeed – you didn't like the traditional job posting websites in the past. Why has that changed?

Luke Carlson: We'll still use Indeed. We just have to look through a lot more candidates to get a candidate that is a good candidate. We're still getting quality candidates and hiring candidates.

My litmus test on this is always, "have we hired?" "Have we made great hires from this pool or from this platform?"

And if we have, it's worth it for us to continue to do it. We threw a lot of candidates. We're okay with that if we're getting great people. So sometimes I find myself saying, "God, this platform doesn't work or Indeed doesn't work".

And then Heather, who's largely involved in our HR will say, you realize *so and so and so* came from that platform. And I think to myself or I say out loud, "wow, those are, that's like my all-time favorite hire. This is worth us continuing to do".

Lawrence Neal: I'm sorry, one last interjection. What's the ratio currently, if you don't mind me asking, in terms of how many *applications* versus *hires*? Because that should be higher than what people, most people think.

Luke Carlson: Yeah. I don't know right now what the ratio is in terms of applications submitted. And someone that makes it to the 1st interview, someone that makes it to the 4th interview and the number of hires we actually make. I think if you do that well by the time someone gets to the



end of your interview process, you're hiring a high percentage, but the people that are initially interested in, you should be weeding out a lot of those people.

And I'll talk about that in a second. You should be weeding them out and they should be weeding themselves out.

So, let's get to the specifics of, okay, what needs to happen when you're actually posting? So, beyond posting what your values or purposes are, what the key roles are, here's – I think – the 3 actionable takeaways on your job:

Postings is number one.

What makes the job different? There's a lot of personal trainer positions posted. We post as exercise physiologists.

We always think about... just like, when we think about strategy is all about what actually makes you different on paper. We got to pick the things to actually make your position different.

For us, one of the things that makes us different is, "you're not going to sell; there're no sales in what we do". Boom. That's number one.

Number two is continuing education, growth opportunities.

And we talk a little bit about, "what's our core growth plan look like?" "How are you going to develop?" "How are you going to move toward mastery?"

That's number two.

Number three is going to be comprehensive compensation, health insurance, 401k, paid sabbatical, et cetera.

So again, none of these things make our opportunity better. They just make it different on paper. And I'm very clear about when I communicate that we're clear when we actually list that.

So, think about what would make your opportunity different, it could be as simple as, "Hey, we're not a big box gym environment or a small studio environment".



What makes you different could be you're going to work side by side with the owner nonstop. What makes you different could be we're just doing strength training. What makes you different could be... you pick what makes you different.

Someone needs to see, "wow, this is different," on paper, and that's going to attract me, right? So that's the first thing that you're posting is, how is your opportunity different?

When you do that, you're going to struggle with it because you're going to try to list things that make you better. Don't do that. Just list things that actually make you different.

The second thing we want is we want to make sure we're using a StoryBrand framework, and you don't have to read the whole book StoryBrand. But here's the idea is the hero of the story are your candidates.

Okay. The mistake that we all make is we talk about *the business*. We talk about our background. My God, we talk about Arthur Jones, and we talk about our knowledge machines and MedX machines. We talk about how many years we've been doing this. Don't talk about any of that. Talk about the candidates position them as the hero and talk about the transformation that they're going to go through.

So, focus entirely on that and everything that you write. You should have a StoryBrand script about this person: "We know that you want to become an expert in exercise. The problem is that most of the industry has devalued exercise professionals. We're the most important component of this. Allied healthcare continuum, and we've been mistreated.

We've been minimized to the least important component. You don't have to live that life at your company, whatever the name is. We exist to elevate you as a fit", whatever it is.

So, you have to create that story and make them the hero of the story. Of course, heroes go through transformations. Talk about, "if you join my company, if you join what we're doing, here's the transformation that you're going to go through..." man, everyone gets this wrong — They talk about how, "we've been in business for 22 years, this is how many Nautilus machines we have..." et cetera, et cetera, et cetera. Okay.



And the last one is use some video here, put together some employment videos that are 30 seconds long that are 60 seconds long.

My opinion is under 2 minutes long and just talk about what the employment experience looks like. People are going to click on the video and interact with that video.

So those are my 3 really tactical “how is the job different,” use the StoryBrand framework, so they're the stars of the show. And then lastly, use video when you're telling that story from there.

We move into how do we hire somebody? Can I talk for two minutes on that Lawrence? Or do you want to...?

Lawrence Neal: Keep that one real brief, but yeah.

Luke Carlson: Yeah. So, I just think, in a nutshell, is we have to do multiple interviews — so, don't interview a person one time.

I tell everybody in the first interview, we're going to interview you multiple times. It's going to be an arduous process, but if you ever get hired by a company and the process is not arduous, that's a pretty good sign that they do not care who they're hiring. If you care about who you're hiring, if the whole business is built around people, then that process *has* to be arduous. And then that candidate says, “okay, this makes sense. Me going through this arduous process is a sign that my new employer, my potential employer values people and wants to get the people decision”, right?

For us, it's 4 interviews. It doesn't have to be 4 interviews, but you can't have someone come to the studio, chat with them for 30 minutes and say, “Okay, let's have you start on Monday”. There has to be more hoops than that.

And by hoops, I don't mean hazing — it's got to be an arduous process of discovery where you're learning about them, they're learning about you.



My other tip on that is during the whole process, remember, you are trying to attract them. You are trying to lure them into what you're doing. You are selling them. But at the same time, you're trying to *scare them away*.

So, you have to share enough information where the wrong candidate says, "I want no part of this," and the right candidate says, "I can't wait to move forward." So, be intentional about what you're communicating.

And you can do that however you want – I would just say, it's got to be arduous. It should be across a few different interviews.

Lawrence Neal: Great. All right. Thank you for that, Luke. That was awesome.

The next section we're talking about is once someone is hired, once you've got some of those great trainers on board or great.

Trainers of great potential. How do we go about retaining them now – given the time because I don't really want to spend more than five or ten minutes – could you break this down into three bullets?

Get right to the heart of the matter when it comes to what is really important when it comes to retaining great people. The reason I think we can be high-level is because we've done so much on this already, and I will be [linking to all of those resources in the thread to this as well](#).

So, take it away.

Luke Carlson: So, let's make it super simple.

Let's say compensation, right? So, compensation plan. That's number one. Have a strong compensation plan, whatever that looks like for you.

Number two is growth, development and learning. So, do you have a plan for this person to read journal articles, read books, move to different tiers of excellence?



And probably link to compensation. Are they attending conferences? Are they road tripping to visit other HIT colleagues? Are they listening to your podcast, Lawrence, and coming together once a month and chatting about these things? Are they reading books? So, a growth and development plan – that's number two.

And then number three is, I think, we have to help build a schedule that is: sustainable and so you can't have people pick up a few clients in the morning, have a noon client, have a client at 3 and then have a busy stretch of evening clients. And you're in the studio off and on for 14 hours in a day.

We have to build a schedule where clients can be as condensed as possible. I can work 35 to 42 hours and see a lot of clients during that time.

Those are the three things that I would start with when it comes to retention.

[Number one], do you have a compensation plan?

Number two, are people learning and developing and becoming more moving toward mastery?

And number three, is the schedule that I've actually created for them tenable?

You can't have me work from 5:30 a. m. to 9:30 a. m. and then come back from 4 p.m. to 8 p.m. every day of the week, and I work a short shift on Saturday. You're not going to retain me.

Lawrence Neal: Perfect. That was impressive. Okay. We've got plenty of time for Q&A.

Guys, what I'd like you to do is please raise a hand if you have a question and I'll allow you to talk, and you can answer the question. And Luke might clarify with a response and then you can have a follow up question as well. Just on the Zoom panel, if you have a question, please raise your hand and I will click allow to talk.

Can't see any hands currently, so I'll give you guys a second, because I know you're all technophobes. Oh, there you go. Pete, I'll let, okay, we'll start with you, Pete. Here we go. Allow to talk. See how this goes. There you go, Pete. You should be live.



Pete Cerqua: I think I am. Good. Can you hear me?

Lawrence Neal: Yeah, we can hear you.

Pete Cerqua: Good morning, gentlemen. Luke. My question is: do you have trainers sign non-competes and how do you prevent or minimize...?

Luke Carlson: What a great question.

For the last seventeen and a half years, we have had them sign a non-compete and a non-solicitation. Recent law changes have eradicated non-competes in the states that we operate in. So, you can't have someone sign a non-compete or a non-compete is no longer enforceable, but you can still do a non-solicitation.

It basically says, "if you are working with a Discover Strength client here, and you leave here, you can't work with the discover strength client anywhere else".

And so, we care more about that than a non-compete, because when we hire you, you're 22 years old, we're going to expose you to 1,000 clients literally immediately.

You're going to meet hundreds of clients, train hundreds of clients if you left. You could email the 150 clients that you work with in the last month and say, "I'd love for you to come with me". You can't do that. I could care less if you start a gym 1 block away, you just can't contact any of the clients that you worked with at Discover Strength, so non-solicitation, yes; non-compete, no.

Lawrence Neal: Pete, do you want to follow-up on that or is that good?

Pete Cerqua: No, that's good. That's... I like the way you handle that and it's still, I know it's a state-to-state thing with the non-competes and what you can get people to sign and what you can't in New York, we were able to use non-competes in that it helped.

I wouldn't say it solved all the problems, but it helped.



Luke Carlson: And generally, most in a state like New York, a state like California, a state like Minnesota, if this ever somehow goes to mediation or gets litigated, the state is usually going to side with the employee who wants to work. And so, it's tough to enforce a non-compete.

And what we would always say is we would never spend the money to actually enforce the non-compete because we just don't want to throw tens of thousands of dollars and spend tens of thousands of dollars with attorneys to make sure someone is not recruiting our clients.

The thing that we would maybe do is we sent letters in the past and say, "Hey, you're not with us anymore. We've got wind that you're working with somebody. Just as a reminder, you've signed this non-solicitation," and hopefully that's enough.

Lawrence Neal: Okay, thank you. Pete. All right. Mike, here we go. Floor is yours. Mike.

Mike Lipowski: Gentlemen, how you guys doing?

Lawrence Neal: Very good.

Mike Lipowski: Excellent. Good to listen to you again, Luke. It's been a while.

I got two questions — first question is going to have two parts to it, and then it will probably roll into question number 2.

The first question is around internships — I know in the past that DS has done a lot of internships, and that's oftentimes led to new trainers and you guys, it's great that where you're located in Minnesota, you have access to a good number of students at the University of Minnesota. So here in New York, around our area, we don't have as many opportunities. Only one of our studios is near a university.

So, I'm just curious to know, number one: how big of a role has that played in getting the right trainers on board with you guys compared to you doing the job hunt via LinkedIn or any of the other avenues?

Luke Carlson: Yeah, my answer would be pretty succinct: We've literally killed all internship programs.



We haven't done an internship program in probably two years now. Now that said, a couple of our all-time best hires that are like the best people in our whole organization came from previous internship programs, but it just wasn't bearing fruit.

At a high enough percentage, we spent a lot of time and a lot of effort and time, and effort is resources, which equates to dollars, and we just didn't get many good hires out of those. And so, we killed it completely. And I think we're attracting and hiring better candidates over the last two years than we did in the previous.

Twelve years of being really heavily focused on interns and our internship journey went from intern, where you just spent time with us for three to four months, and then it transitioned to what we called an intensive internship program, or for 6 weeks, you basically came in for a classroom session. It was three hours long, taught by our different staff.

And then you trained one of our staff, and they trained you sometime during the week. We had a little *on the floor* portion, but it was like, you weren't just hanging around the studio or making coffee for somebody or shadowing. Because we thought we were boring people, and we did that for years and years and now we killed that.

We don't do an internship program whatsoever.

Mike Lipowski: All right. Great.

Second question is: now, with all of the new growth that you guys have had with opening up more studios in different cities, and – if this is proprietary, you do not have to answer this question – but my question is this: How much are you relying upon growing trainers within your current crop of studios and then sending them out to these other studios? Are you really working on homegrown in the primary locations? Let's get these guys going, let's build them up and then let's ship them off?

Luke Carlson: Yeah, what a great question.

So, I have a bias toward homegrown talent, homegrown leadership.



I've been influenced by so many of their companies that look at it that way.

One of the ones companies I put on the pedestal is Nordstrom. They do not open a new Nordstrom store without experienced Nordies, right? So that's been my background.

That's not tenable for us forever. So, we are opening multiple locations where one of our current people says, "I'd love to move there. And I would love to either be the general manager". Great. Or, "I'd love to be a trainer there". And that's great, also.

So, we would love to open with experienced people that can't happen in every market. So, we have to have some systems and processes are in place where that's not possible. Those systems and processes involve that person coming to us and training with us for 10 days and then we send them off.

But Mike, ten days of training is not the same as, "Man, I worked here for 6 months, or I worked here for 2 years". If there's ever a location near a location, we would love to have the new hire. Temporarily spend time in that location and work there. We made a hire recently that's going to go to Washington, D.C. and be our general manager in Washington, D.C. They moved to Minnesota and will be in Minnesota for a good six months before they'll go to Washington, D. C.

That's not always going to happen. We chat about this as a leadership team. We act we'll just do that, and we think, "how's their spouse and their kids going to feel about that?" And usually, the answer is that's not going to be tenable.

So, my answer is we've done it a decent amount. I would love to continue to do it 30% to 50% of the time. 50% of the time, we have to make a hire in that market and use our other tools and processes to develop that person.

Mike Lipowski: Awesome. Thank you. And if you don't mind me just asking one more quick follow-up.

Lawrence Neal: Go for it, Mike.



Mike Lipowski: With those who are being shipped out, you made mention that they may become a general manager, or they may be a personal trainer in that new location. How much crossover is there? Is there, is a general manager in your estimation still going to do some training?

'cause I would imagine in a brand-new market as that. New owner is working to build their client base, right? Nobody walks in with a full schedule. Rarely. We can all have a great launch plan and get a good number of people in, but at the same time to your point that you were making earlier, you have to have enough people to actually be able to pay for this person and make it worthwhile.

So, talk to me a little bit more about the role that person is playing. Should they decide to move on as a personal trainer in your current location to now being a general manager in a new location?

Luke Carlson: Yeah. So, a hundred percent, all of our general managers are always going to see clients. And as the location grows, they see less and less clients, but they're still going to see clients when a location launches, they're going to see all the clients.

So, we have a location opening in Chicago in a couple of weeks. And the general manager that we've sent there is brand new to us. He's been with us for just a few months. They're a part of what we call our leadership accelerator program, which means we hire you to eventually become a general manager somewhere.

You're going to move to Minnesota. You're going to work as an exercise physiologist and then when one of our locations has a general manager opening, we place you at that opening and you are open to moving to wherever that market is. This general manager is relatively inexperienced and has been with us for about a few months, three months.

They're going to train all of the new clients. And of course, there's not very many new clients early on, Mike, like you said, so they have to be really skilled and working with that client and earning a referral from that client. They're executing on all of the local marketing.



They're the ones that are in the networking groups, et cetera. So, they have to be a skilled trainer. The general manager that's responsible for all of the local marketing tactics. Then, we're going to bring another trainer to that location weeks down the road, the trainer that's going to move there is from Chicago.

They've just lived in Minnesota for about the last six years. They're very experienced with us. They are an unbelievable trainer. I think that I don't think I know that person could give better workouts early on. But I don't want them to move there yet because I don't want them to have the responsibility or the burden of doing all the other general manager things.

We will not move that second person there until the client volume is high enough for that person to get there and have a decently full schedule. And we know when that person gets there, they're going to drive more referrals because the workouts they're going to deliver are going to be so referable.

So, to answer your question, [the] general manager is training people early on. That's basically all that they're doing. They're doing all the training early on, as well as local marketing tactics.

Mike Lipowski: Excellent. Thanks so much. I appreciate your insights, Luke.

Lawrence Neal: Mike, let me know if you've got another question, 'cause you're the only hand raised right now. Is there anything else or do you wanna leave it for a moment?

I'm gonna leave it for a moment.

Okay.

So, Luke, I just got a couple of questions, thoughts, things from people who couldn't attend. There is one thought I had, which came through a conversation with a colleague, and I just want to run it by you, really. And the thought is, I think a lot of the problems that we see with hiring are related to the fact that – and it's just my opinion – that maybe we just don't try hard enough or see enough people, and put those people for a rigorous process, because at the end of the day,



and I guess – it's really the Hormozis that brought this to my attention – is, and yourself to a degree, is that hiring is just like marketing, right?

In terms, sorry, in terms of marketing to new clients, you're just taking all that effort and focusing it on candidates, right? And you need to do a certain amount of volume in terms of connections you make, number of people, and I don't think that given the fact that most of our market are looking to maybe hire two to five trainers and I'd be pretty happy.

You've talked before in a previous course you made about, most of our colleagues in this industry can make good money with just a very small team and a single location. And when you put those numbers out on paper, they look at it and go, "oh yeah, that, that sounds great".

And with that in mind, I just wonder, is time really a sufficient excuse?

'cause a lot of them say, "I just have the time to see a lot of people". And I'm thinking, if you saw more people, then you would fill your required trainer spots, but fairly quickly. And then once you finish that recruitment, you can take your foot off the gas.

You don't have to necessarily be cranking it all the time because you're not building a Discover Strength.

So, I feel like it's worth making the time investment in the short-to-medium-term to do it and do it well, right? Spend an inordinate amount of time seeing a lot more people than you think you have to see and putting them for a rigorous process and realizing that's not going to be a long-term thing necessarily.

So, to summarize, I just sometimes feel like the problem of hiring or large part of the problem stems from not enough volume, not seeing enough people and not just making enough effort with the people you do see. I just wonder what your thoughts are on that.

Luke Carlson: I would say yes on the volume.

I'm just not emphatic about it because if you drove volume for volume's sake, you might be attracting a heck of a lot of the wrong candidates, and your volume's still high.



Where the Hormozi idea is, “hey, I put flyers on cars in a parking lot. How many did you put? I put a hundred and I didn't get any leads. Oh, a hundred. I test with 100,000. And if I find out it works, then I grow it to 7 million. And I do that every Saturday morning”, or... that's the Hormozi example.

Where I think volume really matters there, if the volume, if the quality of the candidate, if you're not looking for the right person, and that person's linked to everything that we talked about before... I don't know if volume is the key. I will say, you said “time,” and I think time's important and I don't carry any *stage* for me in the last 18 years; I have to remind myself when I'm doing this, yeah, it's the most important thing I'm doing.

So, I'm only involved in one step of our hiring process right now, which is the first interview. The first interview for us is always a group interview, which is always a Zoom call with all of our candidates on it. And Heather schedules these probably every two weeks.

And so, I'm like, in a hotel room at the end of a long day. It's 8 o'clock at night, whatever the time zone I'm in is, and I'm going to give a 40-minute overview of what our experience is, and I can't mail it in, right? I have to be like, completely *on stage* because I want to win over these candidates and I want to talk to him about what Discover Strength is all about, and I want to talk about how our opportunity is different. I want to talk about purpose and values.

And so, I've always had to give myself the pep talk. This 45 minutes is the most important 45 minutes because the people that are on this call are the people that you're going to hire. To our consumer to our customer, these people are going to define Discover Strength.

This is Discover Strength on the call. So, it doesn't matter. And I'll say this. Most of our industry spends more time talking about strength curves and machines and less about that. I get the person right now.

There's a corollary to that, a second part to that. I had a wonderful HIT entrepreneur call me recently and say, “Hey, here's the deal: my studio is kicking butt, and this person has unbelievable equipment. My schedule's loaded up. I need to hire another person. I'd like to hire them. Can I



send them to you to onboard and train? I don't have time for that". And my first answer was no, like you can't because that's like what our franchise business of course is.

Number two, that's the whole business – developing your trainer so that they can deliver the workout is the whole business.

So, if you don't have time for that, mail it in, you don't have time for the business. That is literally the business.

I can't think how else you'd spend your time if you didn't want to develop the person.

And if you had me develop the person, you're having me develop them for a different business.

That's like me buying a McDonald's franchise. And saying, "Hey, I got to hire someone. I'm going to send them to Domino's and have Domino's onboard them. And then there'll be back and ready to work in my McDonald's". It's a different business.

So, I can't onboard your person for your business. So, we often relinquish the most important aspects of our business.

Lawrence Neal: Okay. Thank you. Great answer. Pete, just gonna hit allow you to talk here, so... Pete, when you're logged in, it's all yours.

Pete Cerqua: Luke, when you hire somebody new, obviously they are embracing the Discover Strength culture, which I think is probably the key to the whole hire, is your culture. Have you ever experienced where down the road at some point they seem to want to reinvent the wheel, or they think they have a better way? And if you have experienced that, how do you deal with that?

Luke Carlson: Yeah, so honestly, that can occasionally happen. We feel like if we are constantly teaching and presenting with the right information and creating a learning environment where we're leading them to water, but of course not forcing them to drink – they make it their own.

And we always say the greatest customer is *you*. Once *you* buy into what you're doing, you're going to be an unstoppable professional and an unstoppable salesperson.



And by sales, you, the person in front of you, you're always selling them, right? If you believe in what you're doing, if you're convicted in what you're doing, if you have an honest, unshakable conviction in what you're doing, you can convince the world of it.

So, we believe that. So, you got to believe in it yourself, first — you got to be into it yourself, first. And I tell everybody on their very first day of employment. We do a *day one* every six weeks. I have a *day one* tomorrow.

We'll have all our new hires start on the same day. I'll say, “the greatest customer is *you*,” and I'll read through this whole paragraph about what that means. And I'll turn to him, and I'll say, “who's the greatest customer?” And they'll look at the screen and they'll say, and I'll say, “who is it?” And eventually they say, “the greatest customer is *you*”. And I'm like, “who's *you*”? And eventually they say, “okay, it's *me*”.

I said, “to the extent that you buy into all of this, you're going to be successful. And by the way. I'm going to assume you're buying into it the next few weeks, next few months, but ultimately, if you don't buy into it, you shouldn't be here. You got to decide that yourself. If you buy into it, you're going to be unstoppable, but if it doesn't become yours, I say the next 2 weeks, you're going to go home from work and you're going to tell a friend that you've worked out with in the past. You're going to tell a loved one. You're going to tell your schtick for another, ‘At Discover Strength, at my current job, this is how they do it.’ That's what you're going to say. Six months from now or a year from now, you're going to say, this is how it's done. And that's a transformation to... it became *yours*. To the extent that it becomes *yours*, you're going to be unstoppable.”

Pete, to answer your question, it doesn't become *yours* for everybody. And then those people are encouraged to move on. I think what we've been intentional around is, “how do we create the opportunity where it could become theirs?”

Pete Cerqua: Thank you, yeah. Well said.

Lawrence Neal: All right.



Okay. So, guys, let me know if you got any other questions.

So, I know you've addressed some of this already, Luke, and in really the initial part of this call, but I just thought it'd be interesting just to pretend to be one of our colleagues who's got this challenge and just see how you might address it differently.

So, the way it's worded, and maybe this is how we could have done the first part, although I thought the first part was great, but some people just simply say, "Hey, I just can't find good people, Luke, in my area. They're just not good trainers". What do you say to that?

Luke Carlson: Firstly, candidly, maybe that's the case.

I don't know their area. I just, I don't know. I would think that if it's a market where there's The target market exists where you, if you can find clients in that market, I would think that has to be correlated with you could find trainers or people as well.

The second thing I would say is, remember, we are hiring for character, right? We're not hiring for having any of the skill.

So, we have some pretty sophisticated tools to understand what the ideal Discover Strength candidate looks like, and it's amazing how and this wouldn't shock anybody in the call – you do not need incredibly high intellect. We're not solving complex, calculus problems, right? You don't need off the charts IQ. You need decent EQ, right?

There're more character traits that we're hiring for, and of course we can teach the skill. Now that's, you go to enough conferences, you go to enough, you interact with enough industries, that's the case in almost every industry.

I think, maybe, to be a really good nuclear submarine engineer, you probably have to have a proficiency around math and physics. I don't know. I'm guessing, right? But for most roles, for most jobs, it's about the character first and everything else can be trained.

So, to go back to your original statement, is there really nobody in your market that has like character and a decent amount of EQ that could learn these skills?



And when I say learn these skills, the skills are up to you. Like, how do you want high-intensity training to be delivered? It's different for everyone.

And I think there're so many different ways that can be wildly successful. I listened enough of your podcast with Pete and I start to think, "God, I should do it like that".

Every workout should be... he's got it down to how many seconds every workout should take based on his protocol. That *is* a way, right? That is a great way to do it. So, you can teach however you want it to be done.

Lawrence Neal: Yeah, and I think frankly, most of those listening to this or who tune in later are only looking for maybe one or two trainers.

So, there's not one or two people in your market? Then that's a big surprise.

Let me know guys, got any other questions as we get to the end here.

One thing I really want to ask you, Luke, is what, if anything, has changed about the hiring environment? In the last couple of years you've made a few hints here, actually.

You like videos that are less than two minutes. I wonder why that is? Shorter attention spans, perhaps? Millennial Gen Zs?

"We can't read a book anymore, that's not me". That's just my, "I'm a millennial..." but we're slightly better – no, I'm kidding.

Anyway, so what's changed about the hiring environment that's changed your approach, if anything?

Luke Carlson: Yeah, so we're coming up on 4 years from the pandemic. And 4 years from the pandemic, this is what we saw happen: we saw that hiring was very difficult across all industries, and definitely Discover Strength – very hard to get people in our interviews and very hard to make a hire in the last year-and-a-half, the last 18 months.

That's totally changed. Tons of candidates. People interested in working again.



I still think we are culturally dealing with something now. And by *now*, I would say the last 4 years relative to 10 years ago, where the idea that I have to have a job is just not this important. And interviews, all the data on Gen Z looks at a job as an interruption to all the other things they want to do in their social life and their family life.

And they're like, "God, how can I work 40 hours a week? That's going to get in the way of my hobbies". That was not spoken out loud 20 years ago or 25 years ago. We understood that we had to have the job 20 years ago, so that we could have some hobbies and we could take care of our family and we could maybe go on a vacation at some point.

Now, it's the vacation somehow comes before the travel. The European trip comes before actually having the job. I do think that's a cultural change. The other biggest changes as to what the Gen Z workforce looks like, and I did a deep dive on McKinsey, Harvard Business Review, every source I could look at to understand what the Gen Z profile look like and man, leaders and managers across all industries do not have positive things to say about Gen Z.

So, the trends are that Gen Z wants to work less, wants to get paid more. There're a lot of negative things about Gen Z: They show up late; they leave early. All these negative things. There're positive things also about Gen Z.

The positive things are they're more purpose driven. They want to understand how their work connects to purpose. They value diversity in a workplace more. There are positive things about Gen Z as well. So, when you say trends, the big trend for me, is it is back to being easier to hire right now. The Gen Z profile, I think, we just need to understand that profile.

Ultimately, I think human beings are human beings – I don't think Gen Z is too different than a human was 100 years ago or 400 years ago. I think we may see more of the same needs. I think a boomer wanted purpose in their work. I think now we just want it more and we talk about it more. So those are the trends that I would say that we see.

Lawrence Neal: Yeah, great. Thank you, Luke. Probably should wrap it up there. Thank you so much for making the time. Just to also say, a lot of what Luke's talked about, and the reason



why we want to get to the Q&A quickly, and we kept the initial part of this quite brief, is because we've covered a lot of this stuff before.

Obviously, it's changed – I was very shocked to hear the internship change. That's fascinating. But I will put [links in the thread](#) – or André will – in the membership for this for all those other resources that compliment this because I'm getting these seeing these questions a lot, these different nuanced hiring questions and a lot of them, frankly, have been addressed and answered in the content.

So, hopefully we can help you with those resources. And to find out more about Luke, you can obviously find out about [Discover Strength](#) over at [discoverstrength.com](#). And you can find out about [Discover Strength Franchise](#) over at [discoverstrengthfranchise.com](#). I think that's right, isn't it, Luke?

And you can email Luke at luke [at] discoverstrength [dot] com if he doesn't mind.

Luke, thanks again everyone who tuned in. This is obviously published for future reference and transcribed. Thank you so much for being a member. Not sure what's coming next month, but it's going to be awesome – it always is.

Luke, thanks again. Really appreciate your time and we'll talk to you very soon.

Luke Carlson: It's my pleasure. Thank you, Lawrence. All right. Take care. Take care, everyone. Bye.