

Maria, Personal Trainer

The background

Maria has always been interested in health and fitness. She works in a sports shop. When she is not working, Maria likes to exercise at her local gym and has become friends with the gym manager, Yan.

The problem

One day, Maria was talking to Yan at the gym. Yan had a problem. All new gym members must be shown how to safely use the equipment. The member of staff who usually delivers this training was absent. Maria offered to help. Yan knew that Maria had the skills required, but as she was not qualified, allowing her to deliver this training would be against gym regulations.

The idea

Maria asked Yan which qualifications would be needed to work in a gym. He explained that all staff must have completed a fitness instructor course. Maria asked if he would employ her if she had this qualification. Yan explained that the gym was fully staffed. However, he said some gym members wanted personal training sessions. He suggested that she could work as a self-employed personal trainer, charging a minimum fee of \$20 for one hour.

Maria knew many of the other gym members. She therefore thought that attracting customers to her service would be quite easy. By offering personal training sessions at Yan's gym, Maria would not have to rent a training area or pay for equipment. Yan also suggested that she could avoid marketing communication costs because he would tell gym members about her personal training service.

Maria began to research how to become a qualified personal trainer.

The research

Maria researched online. She discovered that there were two types of courses she could complete. Firstly, a full-time personal trainer certificate completed at the local college would take six weeks and cost \$1300. Maria recognised that a full-time course would mean that she would need to give up her job. She thought she could not afford to do this.

The second type of personal trainer certificate course could be completed online over 14 weeks. This part-time course would cost \$1000 and Maria would be able to complete it whilst continuing to work. However, the biggest problem would be finding the funds to pay the fee.

The information

Maria discussed both the full and part-time courses with Yan. She explained that her main concern was how to pay the fees. He asked Maria if she had considered applying for a government grant. The government was offering grants to young people who wanted to start a new enterprise.

Maria decided to research the possible sources of finance available to fund a personal trainer course. She produced a summary of this information, as shown in Table 1.

Table 1

| Course | Cost |
|--------------------|------------------------------|
| Full-time: 6 weeks | \$1300 |
| Online: 14 weeks | \$1000 |
| Source of finance | Cost |
| Bank loan | Interest of 5% each year |
| Government grant | No cost |
| Session | Price charged |
| Personal training | Average price \$20 each hour |

Maria was unsure what to do next. She was beginning to have doubts about the level of potential debt and whether she had the skills required to be an entrepreneur. Maria decided to arrange a formal meeting with her bank manager to gain further advice.

The meeting

At the meeting, the bank manager explained that he could not give Maria detailed advice without some financial information. He asked to read her business plan. Maria had to admit that she did not know what that was. The bank manager explained why a business plan was important to an entrepreneur and he showed her a template she could complete.

The bank manager asked Maria to produce the business plan, including the financial section, and then arrange another meeting with him.

The decision

Leaving the bank manager's office, Maria wondered if setting up a new enterprise would be worth the risk. She thought her next step might be to seek a non-financial source of help and support.

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