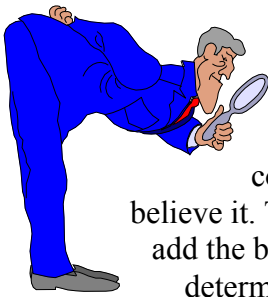


## **Franchisor's Qualifying Process**

### *Can You Follow A Process?*

One of the initial things you should strive to understand is the level of development that the Franchisor's Candidate qualification system has reached. Your first reaction to that might be 'Why do I care about a Franchise Qualification Process – I only care if I get a Franchise or not?' I would suggest that you should care a great deal.



After all, if the Franchise Candidate qualification process hasn't been well developed, it may be a reflection on the business of the Franchise itself. The most important asset of any Franchise system will be its people, including both Franchisees, and Franchisor staff. Almost all companies will confirm that to be the case. They say it even if they don't believe it. They say it even if they don't actually put systems in place to ensure they add the best people, and nurture their development over time. So how do you determine if the statement matches the execution?

If people are the most important asset, it would follow that the system of finding, qualifying, and granting Franchises to the best Franchisees would be a well thought out, and well developed system. Doesn't that make sense to you?

If there is no formal step-by-step system to provide information to both parties then it may be an indicator that there is something amiss.

A good process will be able to provide you regular information to help you make an informed business decision about joining as a Franchisee. It should also provide the Franchisor with information about you to help them make an informed decision as well. That decision should be whether you qualify as someone they can describe as one of their 'most important assets'.

If the system doesn't allow for a step-by-step, give and take, system of information flow, then perhaps the other business processes within the Franchise aren't as well developed as represented either. The information system shouldn't be so fast that you are overloaded, but it should be steady enough that you can continue to assess, and deliver information, at a pace that makes sense for both parties.

If the system is too fast, for example if you are given Disclosure Documents within the first day of the due diligence process before many other things are assessed, I would suggest there is something wrong. To rush is to err.

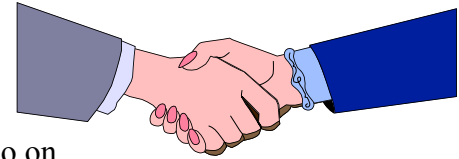
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On the other hand, if the system is too slow, you won't get a true flavor for the company because of the sporadic nature of the flow.

Culture is important, and a steady flow of data will give you a better feel for the culture of the business than trading information every three weeks for a six-month period. If you are not looking to make a decision with 30 to 60 days, I would suggest that you wait until you are to that point before you engage fully in a Franchise Qualification system. That doesn't mean that you need to be in business in that timeframe. It just means that you would like to make a decision in that timeframe.

Some systems will include a step-by-step system where you will receive information from the Franchisor, and then you will be required to provide some information to them. Once you provide the information, then the Franchisor will send you additional data to help you gain more intimate knowledge...and so on.



The reason for that type of system, which I would judge to be ideal, is that each of you is illustrating commitment to the process. This is an important factor for the Franchisor to determine because it is a great indicator to them that you will be able to follow and use a good system to your advantage. That's what Franchising is all about. The Franchisor has invested a significant amount of time and money to develop a proven process that is designed to earn all stakeholders a maximum return. Therefore the Franchisor must determine that each new Franchisee is willing and able to follow a good process. What better place to start than the basic evaluation process.

In today's world, that system should use various media to communicate with you including email, telephone, mail or courier, Internet, in person etc. Again, this will demonstrate the Franchisor's use of current technologies and methods to really get to know you, and to stay current in an ever-changing global environment.

If the Franchisor does not have a good step-by-step information flow and due diligence process then that alarm bell in your head should go off.

Keep in mind, that as you are considering a particular franchise and looking at them, to see if they are a good fit for you, they are doing exactly the same thing with you. This is a time of 'courtship' as you are looking at each other.



Just because you have the desire and available funds to purchase their franchise, does not automatically mean that you will be awarded one. It is not at all like purchasing a home or an automobile. There will be a long lasting and hopefully mutually beneficial relationship between the two of you. They want to find franchisees that they believe will be successful and therefore not grant a franchise to just anyone.

It is important, therefore, that you follow the companies process and in a timely manner (and also the process of your franchise advisor if you are

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utilizing one), e.g. phone appointments, filing in of paperwork, returning Franchise Disclosure Document (FDD) receipts, being on conference calls etc.

Being able to follow their process and on time, will gain you points with the company and will show them that you are someone that can follow a 'blueprint'. In the franchisors' eyes this will indicate that there is a much higher chance that you will be successful and an increased likelihood that you will be offered a franchise.

## **Summary**

Franchising is all about following a tried and proven process. Follow the process in a timely manner, both before and after you purchase a franchise and you should be very successful. If you cannot follow a process, then franchising is probably not for you.

xxx

*The Frantreprenuer Mentor helps folks just like yourself, to quickly find and match you with the ideal franchise; one that fits who you are, will work well in your area, you'll enjoy operating and have the opportunity to be highly successful at. Some clients call us a "Franchise Match-Maker". In addition, as a franchise consultant and advisor, I mentor, coach and support you throughout the entire franchise process with regular coaching, communication, mentoring and advice.*

*Web: [www.thefrantreprenuer.com](http://www.thefrantreprenuer.com)*

*Tel: 603-888-8881*

*Email: [info@tfmentor.com](mailto:info@tfmentor.com)*