

FRANCHISOR NEWS: Q & A

Many franchisors believe that once they have produced their **Operations Manual** there is no pressing necessity to update or develop it. However, the Manual should be viewed as a living document in continuous development providing franchisees with a comprehensive compendium comprising franchisor know-how and the business system. Here **Penny Hopkinson, Manual Writers International** looks at when and how the manual can be developed for new, maturing and mature franchise Networks.

Q. Why do you need to develop the Manual?

A. As the franchise grows, so you will modify, improve and develop aspects of the business setting new benchmarks for improvement across the Network. If you franchise overseas, you will need to adapt the *Content* of your Manual to cover local market requirements. Under the Terms & Conditions of the Franchise Agreement, any changes must be reflected in the Manual - and franchisees must be issued with timely updates underpinned by development training, as and when appropriate.

Q. What are the benefits of developing the Manual?

A. Benefits include:

- Greater efficiency.
- New levels of customer satisfaction.
- Greater customer loyalty.
- Stronger links between you, your franchisees and your customers.
- Improved understanding of the partnership and franchising.
- A reduction in the number of unnecessary enquiries for help and advice from your Support Office – freeing them to concentrate on those franchisees that require greater targeted assistance.

Q. When should you consider developing the Manual?

A. There are several strategic stages at which it becomes essential to review and update the *Content* of your Manual – notably:

- When a Provisionally Listed company has piloted the system and is developing the business in accordance with BFA industry standards - or within 12 months of signing your first franchisee(s). Invariably, modifications will need to be made to processes and procedures as these are tested fully during day to day operation of the business. Any changes must be detailed in the Manual so that new franchisees joining the Network can benefit from initial experience.
- When there is a change to legislation that affects your franchise – eg. Employment, Health & Safety, Data Protection.
- When you introduce a new process, product or service.
- When you franchise overseas and need to adapt the system and procedures to local market requirements and cultural considerations – eg. a food and beverage franchise.
- When you need to strengthen compliance across a large, mature Network.
- When you are ready to make the move from issuing a hard copy to an electronic Manual.

Q. What Content should you develop after Start Up?

A. Your objective is to provide your franchisees with a comprehensive, up to date *operational* Manual that encompasses all aspects of the business from Set Up to Sale. However, it can take several years to fully document all the processes.

A valuable exercise, to consolidate current content after having completed the Pilot stage or 12 months after start up, would be to consult your franchisees and Support staff. Find out what, with hindsight, would have been useful to include in the Manual and what *Content* has been particularly helpful. Ask Support Office staff what are the most frequently asked questions and issues that have arisen and need to be addressed in the Manual during set up and day to day operation of the business. Make sure that this is reflected in the Manual. It might be helpful to seek a professional Review & Appraisal with a gap analysis.

Q. What Content can you develop for a mature franchise?

A. Most manuals contain elements of **New Business Set Up & Support, Day to Day Operations and Business Development** – rather than a more user-friendly structure comprising three separate volumes dealing with the subject matter comprehensively. You will need to decide what the priorities are for the franchise and plan a rolling programme of development over say, 24 months. For example, when there is a lengthy time lapse between signing the Contract and acquiring premises, a comprehensive **New Business Set Up & Support** volume detailing actions, responsibilities, timelines and operational procedures will help to keep the franchisee focused and motivated until such time as a practical Project Plan can be implemented.

Q. How can you reinforce compliance across a large Network?

A. When it becomes apparent that compliance is an issue, the development of a **Core Operating Brand Standards Manual** – setting out minimum operating requirements – will provide you with an excellent tool with which to remind franchisees of their obligations in maintaining brand integrity and their responsibilities in assuring quality. The new Manual must be underpinned by development training. From the **Core Operating Brand Standards Manual**, you could develop specific detailed manuals on, say, **Marketing, Health & Safety, Supply Chain**, as appropriate.

Q. What is the most cost-effective way to manage Content development?

A. Although some types of franchise require the production and issue of a hard copy manual, a far superior alternative is to manage *Content* online in a fully cross referenced and searchable electronic format. Increasingly, franchisees are given access to an Intranet resource where they can view the Manual, print out what they need and download documents for everyday use but are subject to change – eg. marketing materials, artwork, Approved Suppliers, specifications, recruitment tools, order forms. A user-friendly structure will encourage franchisees to use the Manual as a powerful, up to date resource that will meet the needs of a growing Network. This is much better than the old hard copy manual that is likely to be far more difficult and costly to update – and tends to gather dust on a shelf.

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