

FREE TIPS AND INFORMATION:

Prospective Franchisor Key Considerations

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Once a business owner decides to grow his/her business via franchising, there is a clear path along which he/she will progress to structuring the operation as a viable franchise business model and begin to recruit franchisees.

When prospective franchisors seek franchising advice, they must make a point of looking further than the elemental advice on franchise feasibility studies and guidance on setting up the franchise 'stall'. A discussion that also needs to be covered is around identifying what the prospective franchisor's long term goal is.

Some questions to think about before franchising (or indeed growing any business):

1. What is the main purpose or objective for growth?
2. What is the business owner's long term plan? (In 5, 10 or 15 years)
3. Is an exit planned?
4. How will support be sustained, grown and resourced over the life of the franchise's life cycle?
5. Will the franchisor operation run without the direct input of the business owner (i.e. owner managed operation or not)?
6. What due diligence needs to be done from the outset to avoid franchisee/franchisor conflict?
7. What will be deemed as an unacceptable prospective franchisee?
8. What is the franchisee profile and how will this evolve (if at all)?

These questions are only a few of the many points which prospective franchisors should evaluate before taking the franchising route. There may be situations where existing franchisors need to back track and fill the gaps which had not been thought about thoroughly before going into franchising.

In most cases trouble shooting the areas of concern and implementing a clear framework with franchising experts can help to alleviate some the issues which can arise from a franchisor not planning succinctly for the operation's future.

Read this document together with the FREE INFORMATION document entitled 'Top 3 Reasons to be a Franchisor'.

To find out more about how to plan for your franchise's future, contact Sedona West today

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