

Who says you
can't franchise
a white-collar
business?



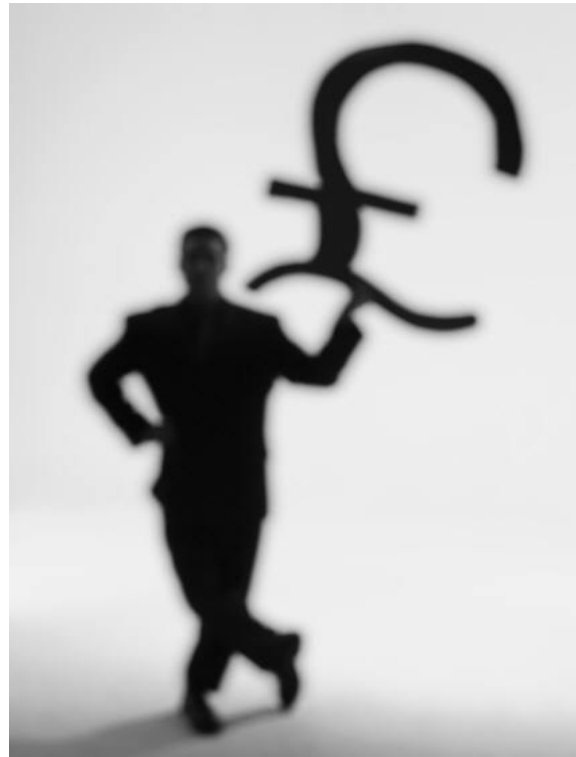
Mostly, the owners of white-collar businesses...

- I couldn't franchise what I do because...
- “My business depends on what I know and on my experience – you can't teach someone that.”
- “It would take me months/years to train someone else to do it.”
- “People have tried it before and it doesn't work.”
- “I've built up a good reputation and I don't want to lose control of how it's done”
- “There's nothing special about what I do – anyone can do it”



But first, lets go back a step...

Why would you want to franchise a business?



Quite simply, leverage...



What's better?

100% of 1 business

- Sell up and retire early on the proceeds
- Invest time and money in hiring and training people who may walk out tomorrow with your know-how in their heads
- Invest in growing an empire

10% of 100 businesses - or 200 – or 300...

- Sell up over and over again and continue to earn money from your business after you've walked away from it
- Sell your know-how to a franchisee under a clean commercial contract that's enforceable without tribunals
- Get franchisees to invest in growing your empire



Why white-collar businesses?

- There are over 800 franchises in the UK, but many would-be franchisees can't find one they like.
- There is a huge untapped resource of suitable people looking for a lifestyle business that combines flexibility of hours with the potential for decent earnings – and some of these are already running as white-collar micro-businesses.
- I believe that the systematic exploitation of valuable know-how is the next logical step in the industrial revolution. The worry for many people is that that means some sort of 'assembly-line' for knowledge workers. Franchising enables a combination of effective exploitation with individual liberation.



So how do you do it? – Option 1

- Systematise all or part of what you do so that someone else can do it nearly as well as you can:
- Keep hold of the 20% of the business that is hard, interesting, and only you can do. Turn the rest into a fully systematised business that can be done by less qualified (but not less able) people.
 - You'll earn a slice of their bread & butter work
 - Their businesses will feed you with high-value, lucrative and interesting work
 - They'll earn more money than they possibly could elsewhere with the qualifications they have

Note: sometimes the split is different, but the principle is the same.



So how do you do it? – Option 2

- Don't try to systematise or replicate any of what you do yourself.
- Instead, systematise what the crew around you does to keep you working like a superstar. Then offer this ready-made framework as a franchise to other people like yourself.
 - You'll earn a slice of their high-value, lucrative, interesting work
 - They'll earn more money than they possibly could as a traditional one-man band
- A variation on this approach is to sell your franchise to the captain of the crew instead of to the superstar - crew captains can be easier to find.



Either way, you need a “total” approach:

- **Specialise** – completely fill a very narrow, very deep niche - very well.
- **Package everything** - including how to get customers and how to operate the business as well as how to deliver the service.
- **Use modern methods** to capture intangible know-how.
- **Put together smart manuals** and an accelerated learning programme to ensure you pass your hard-earned know-how on quickly - and that it sticks.



Either way, you need a “total” approach:

- **Don't de-skill, de-qualify** – you need able people who can take full responsibility for the part of the job they do. They'll be specialists, so they don't need to be qualified to do everything. But you do need an expert in place to back them up in case of exceptions.
- **Give proper support** - monitor performance, ask for feedback and reward improvement.



Why the total approach...?

Because it addresses these issues...

- *“My business depends on what I know and on my experience – you can’t teach someone that.”*
 - You can – and with modern methods it takes far less time than you think – but you don’t always need to pass all of it on.
- *“It would take me months/years to train someone else to do it.”*
 - That may be true, but it needn’t be so. Smart manuals, modern techniques and accelerated learning can reduce months to days.



Why the total approach...?

- *“People have tried it before and it doesn’t work”*
 - Actually, no they haven’t. What’s been tried is de-skilling, with no systematisation and no specialist backup for exceptions.
- *“I’ve built up a good reputation and I don’t want to lose control of how it’s done”*
 - Used properly, franchising actually gives you better control than employing people. Franchisees know what’s expected of them, know how to achieve it and are motivated to do it right. And it’s easier to part company if they get it wrong.

Why the total approach...?

- *“There’s nothing special about what I do – anyone can do it”*
 - In that case why are you doing so much better than they are?
 - Most small business are started by people who want to do more of what they like doing best – that means they are inevitably not so good at the rest of what’s involved in running a successful business. If you can offer a successful framework in which they can continue to do what they like doing and make lots more money doing it, they’ll be glad to join you instead of competing with you.



You can franchise a
white-collar business –
but it takes a “total
franchising”
approach to make it
work well.

To find out more, call Kirsten on 0845 5820 144 or email
me at totalfranchising@replico.biz



Action Plan

Actions for you (or your people)

ACTION (Initiative)	WHO	TARGET DATE

