



Switching to franchising

By Amanpreet Kaur

OBSERVING THE RISE AND FALL OF INDEPENDENT BUSINESSES, SOME EXISTING OWNERS WITH REQUISITE BUSINESS EXPERIENCE ARE NOW COMING FORWARD TO TURN THEIR BUSINESS INTO FRANCHISED ONE. EDUCATION BEING A VERY LARGE SECTOR IS ONE SUCH AREA WHERE MOST OF THE FRANCHISING IS HAPPENING.

TFW DELVES INTO DETAIL TO FIND OUT THE DIFFERENT CRITERIA FOR SELECTING THE RIGHT FRANCHISEE.



BEFORE efficaciously managing a centre's operation under the franchisor's name, it is obligatory and necessary to have hands-on experience in the field. When you take a step to convert your own business into a franchised one, you must endeavour to seek advice from the franchisees who are already into it and ask about the intricacies they confront while running the business. Advice from franchise lawyers and consultants will also be of great assistance to the existing owner who makes up his/her mind to collaborate with the franchisor.

Selecting franchisees

In a franchised business, the candidates are chosen on the basis of their experience and qualification in any vocation. From taking a franchise of a pre-school to high school, coaching centre or any finishing institute, the selection criteria of franchisees differs from the level of education to the type of franchise they choose to operate. For instance, a pre-school franchisor may not require a highly experienced franchisee as they would prefer to enroll women who can either be housewives or working women with an educational qualification of NTT training, B.Ed or from any other profession.

On the contrary, Arun K Khetan, CEO & MD, New Age Knowledge Solutions Ltd, says, "We would expect to associate with people who have passion and understanding about the domain and with sufficient resources to carry the brand the way we expect it

to be delivered." Agreeing with him, Amol Arora, MD, Shemrock group of Schools, says, "There is no bar on the educational qualifications but, most of our franchisees are professionals in their field and they come from all walks of life. What we look for in them is dedication and passion for education."

Every franchisor has different franchisee requirements which differ from the type of franchise category the aspiring franchisee falls into. Some franchisors prefer to select franchisees who are graduates, or who can merely invest in the venture, popularise the brand at the local level, who belong to specialised services sector and who can educate the students in his/her institute as well. For example, the franchisor of a coaching or a test preparation centre or any finishing school will probably like to select franchisees with an engineering background or graduates



or with good job experience. Himanshu Jain, Vice President - Sales and marketing, iprof learning solutions India Pvt Ltd, adds, "We prefer at least a graduate, preferably a post graduate from a leading institution. The individual can be fresh out of college or an experienced individual preferably in the education sector." For anyone who wants to get into business of beauty, Shahnaz Husain, Chairperson & MD, Shahnaz Husain Group of Companies, says, "The franchisee has to complete our beauty diploma course and an advanced course which is especially required for franchisees."

According to Sharad Talwar, CEO, IndiaCan, "The most important requirement of franchisee includes entrepreneurship ability, integrity of highest order and a thorough knowledge of the local business environment." While, Avinash Gupta, President, Tally Solutions, prefers, "The franchisee should be a finance professional and he/she must have an experience in Tally." Frameboxx expects from its prospective franchisee to be a graduate, have strong business acumen, good understanding of the industry, should

considered be the part of the faculty. Giving his opinion on it, Sanjay Shivnani, CEO, Career Launcher adds, "More often than not he must be a MBA himself; must be willing to teach in the classroom himself; must have a genuine interest and passion in education."

Converting into franchise

There are a number of independent owners in the education and training sector, who have been running their institutes locally. Observing the growth of the franchising industry, many local pre-schools, local tutors are joining hands with established franchisors.

There are various reasons behind the rising willingness of independent business owners to turn their business into a franchised one. From day one, when the franchisee seals the deal with the franchisor, the franchisee is entitled to use the franchisor's name and his products and services in the specified territory or a geographical area. A franchise business typically operates the institute under a common brand name like all other franchisees and he/she receives a



be willing to devote full time efforts in the day-to-day operations of the centre and actively participate in training and evaluation programmes. "The franchisee must be a graduate, passion for education and ability to network at the local level with various stake holders," updates Ninad Karpe, MD & CEO, Aptech Ltd.

According to some franchisors' perspective, on an on-going debate, though the franchisee's role is more likely to act as a business manager of the institute or a centre and to see the overall functioning of the franchised unit, however if he is qualified and willing to teach the students then he is

complete on-going support from the company to run the business under some rules and regulations. The franchisor gives requisite training and support to the franchisee in maintaining the standard at his/her centre by giving an identical brand experience and service to the end customer.

By positively providing its franchise to existing training centres, N. Subramanian, Country Head Operations, Cadd Centre, says, "CADD Centre has a prescribed layout, colour scheme, minimum number of rooms and space. We try to commence the operations, if the setup

What they said

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New Age Knowledge Solutions Ltd



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