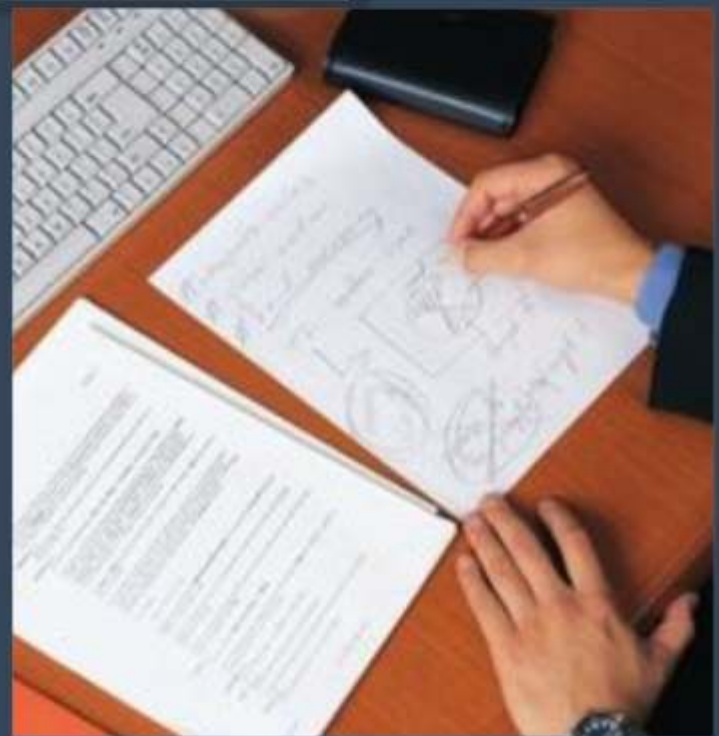




How to write a Franchise Operating Manual

“The Operating Manual provided by the companies is a set of guidelines that provides the franchisee the knowledge as to how to operate the business. It acts as a good reference book as it establishes the rules, standards and specification regarding what has to be done to accomplish a task or to present a certain product or service. In other words, it is the detailed overview of the relevant material contained in a franchise agreement.”



A franchise manual sets the tone for the business operation. By setting the tone means aligning things in a manner as to how they need to be done. Hence, it is extremely essential for a franchisor to have a proper operations manual so that the franchisee doesn't let himself take the business frivolously. It is important to note that writing an operation manual is not less an important task but requires the equivalent amount of dedication that any other part of a business does. A lot of success of a business depends on the preparation of a franchise manual. It can either bring revenue to a business or can lead to start to incur losses to it. Here are some tips that must be kept in mind before laying down the points of a Franchise Manual:

In this issue, we would bring you the following details:

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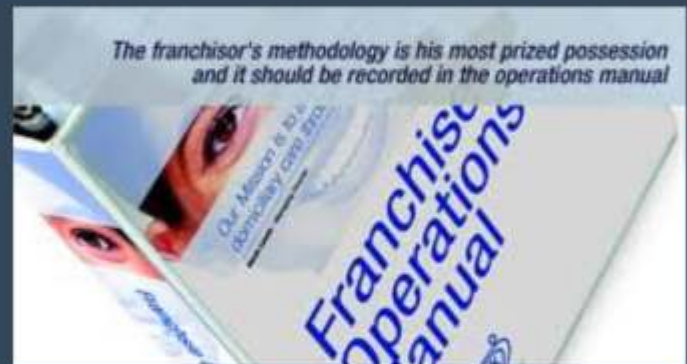
HOW TO WRITE A FRANCHISE OPERATING MANUAL

I. If in past you have never written a franchise operation manual, you will be required to get acquainted to it with a view to have an understanding of its structure and the key points that it entails. This you can do by going through all possible franchise operations manuals. Though they may be from different field detailing about different products or services. But then you don't need to get into their details. All you need to do is to have an understanding as to how and what things are necessary to incorporate in a franchise manual.

II. After you have an idea what a franchise operation manual is, you can proceed to writing the first draft of your own manual. As you have already noticed, the manual can be a bulky document so you will probably need a lot of time outlining all the information and even more time writing the details. This is where a specialized franchise tool can help you.

III. After you have drafted the manual you should get it reviewed by the entire management team for their opinion. Please note that the advice of each and every member is extremely important for it to become a better manual. The more it is critically viewed by the Management Team members the better inputs it would provide to the franchisee.

IV. Once the drafted manual is reviewed by the Management Team, seek the guidance of some professionals and get it properly scanned by them. People hailing



from the legal background would be of utmost use. This becomes useful especially in cases when you are aiming to get franchisees from many different countries. A legal professional specializing in franchising will be able to point out any weak sides of the manual as well as fill any holes that may arise from a legal point of view. You can also get a franchise consultant to review the manual. This step is recommended especially if it is your first franchise business and this is the first time you are preparing such document.

V. Once you have the second draft ready, apply the final corrections and make the official version of the franchise operations manual. Remember that you may need to review it and change it on a regular basis as your business develops and the market changes.

FROM THE CHAIRMAN'S DESK

BREAKING BOUNDARIES IN 2011



Gaurav Marya,
Chairman, Indian Franchise Association

Dear Friends,

Let me take this opportunity to introduce you to IFA's Newsletter - Fra(n)ews. With Fra(n)ews, we aim to bring forth the latest developments taking place in the franchise sector, thereby increasing awareness in the franchise community. This newsletter would also act as a platform for all the start-ups as well as established brands, to showcase the business potential and seek potential franchisee's attention.

It's my sincere hope that Fra(n)ews would successfully help in disseminating franchise knowledge to the entire franchise fraternity. In addition, I strongly believe that it would assist franchisors in reaching out to their potential investors, and in turn aid the aspiring entrepreneurs to get their desired brands.

Gaurav Marya
Chairman | Indian Franchise Association(IFA)

Standard Operating Procedure And Its Key Ingredients



The Standard Operating Procedure is a set of written instructions that document a routine or repetitive activity followed by an organization. The development and use of SOPs are an integral part of a successful quality system as it provides individuals with the information to perform a job properly, and facilitates consistency in the quality and integrity of a product/service or end-result. The Standard Operating Process is basically divided into Five Sections:

(I) Introduction of the Company:

This is first and the foremost section of the Operating Manual that gives a brief overview on the nature of the business and the terms and ideology that it works on. Some of the constituents of this section are as follows:

- Welcome Letter
- Company History
- Mission & Philosophy Statement
- Confidentiality Guidelines

(II) Day to Day Operating Procedure:

This is a set of written instructions that document a routine or repetitive activity followed by an organization. The development and use of SOPs are an integral part of a successful quality system as it provides individuals with the information to perform a job properly, and facilitates consistency in the quality and integrity of a product/service or end-result. A franchise SOP lay emphasis on

- Generally the day to day operating procedure begins with the daily activities that are well planned and agreed upon by the management to enable a smooth and uninterrupted functioning of the franchise outlet. The activities begin with opening, closing and housekeeping services.
- This is followed by the Inventory Management functions that comprise ordering of the inventory, receiving the inventory and replenishing it time & again.

Standard Operating Procedure And Its Key Ingredients

- It further describes and documents what is expected of personnel in the performance of their official duties. As such, it provides a benchmark for personnel, an objective mechanism for evaluating operational performance, and a tool for promoting a positive organizational culture. This includes customer handling functions such as customer greeting, customer feedback, customer complaint handling and customer relation management.



(IV) HR & Training Manual:

This part provides the human resource management and framework for training programs, member briefings, drills, and exercises. These activities, in turn, improve the understanding of work requirements and help identify potential problems.

(V) Marketing Manual:

This last section of the Standard Operating Procedure that incorporates the marketing plan, the medium to put in action the various marketing strategies and to view their responses onto the consumers.

FRAN BUZZ

FRANCHISE MIDDLE EAST &  **Indian Franchise Association**
Empowering Since 1999

Presents

Entrepreneur and Franchising Summit

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Our Associates



Indian Franchising Association supported the Franchising and Entrepreneurship Summit in Abu Dhabi

Franchise Middle East hosted an entrepreneur and franchising summit in UAE scheduled on 15th June 2011 at Aloft, Abu Dhabi Hotel, Abu Dhabi, UAE in association with Indian Franchise Association and Kaizensox Consulting, sponsored by British Orchard Nursery and Heritage for Henna.

The event centred on spotting and selecting new and growth business opportunities for entrepreneurial Startup and franchise ventures in UAE and the Middle East region. It is endeavored to create opportunities for interested investors and entrepreneurs to network, forge alliances and learn about new products, services and trends in the region's business environment.

The conference addressed the needs of the start-up business investors and entrepreneurs by offering all inclusive platform to discuss issues like global and regional business opportunities and franchise ideas for ME entrepreneurs, business planning strategies, market appraisal for ideas, innovation, and other intangibles, insights on growth financing, business ideas for small enterprise, protecting innovative business ideas and avoiding start up stage failure and also cater to growth entrepreneurs by discussing importance of R&D, getting family business growth ready and business model founding, strategic planning for regional and International growth dynamics of entrepreneurship and innovation, market and financial impact in growth stage and its structuring, continuous new product development, development processes, and service design, patents, licensing and intellectual property, benefits of collaborations and clusters, business ethics and good governance, benchmarking and business plans, leadership and team building.

The entrepreneurship conference stimulated new ideas and the sharing of best practices in entrepreneurship & business startup & growth with an in-depth analysis of entrepreneurship opportunities and challenges in the United Arab Emirates (UAE).

FRAN BUZZ



Talwalkars Seeks Franchising Route To Expand Its Business

Health club chain Talwalkars Better Value Fitness Ltd, has forayed into franchises business. The company has opened its first gym in Pune on franchisee basis, under the brand name 'Hi-Fi'. This is supposed to be the Talwalkar's 'Healthy India Fit India' movement (Hi-Fi) for affordable fitness.

It has planned to open 50 Hi-Fi gyms by end of this year and 300 in the next three years across India. It will target tier-III and tier-IV cities along with metros. By the end of this year, it will be opening in Gurgaon, Jaipur, Nanded, Anand and Faridabad.

It is to be noted that Hi-Fi' will not compete with Talwalkars' existing fitness clubs as it's a completely different model of business. There is a much difference in pricing, facilities and services. Hi-Fi' will mainly cater only body building exercises and facilities like spa or meditation are not included in it. In the last 10 years, there is a massive change in the fitness club industry. With the HI-Fi, attempts would be made to accommodate local fitness clubs who're in the crisis in the respective locations.

The company has also approached former sports personalities to boost its franchisee business. There will be more opportunities created in this field and this is an effort to create awareness for fitness. For this, there will be an investment of Rs 45 lakh to Rs 95 lakh depending upon the city or location. For tier-III cities investment will be lower than the metros. The GYM, spread across a considerable area, is placed at a strategic location making it extremely accessible for the localities. It also contains a library full of videos and books on health and fitness.

FranConsult

Provides head to toe Franchise Development Program Services.

FranConsult; A new way to problem solving

FranConsult is a specialised category of professional assistance for investors, entrepreneurs and enterprises by IFA. Such service is on rampant these days and is hired by both franchisors and prospective franchisee. For a prospective franchisee, the consultants under FranConsult assist in exploring opportunities and selecting the most appropriate franchise to invest in. For franchisors, consultants provide their experience in developing franchise networks. They are involved, right from the start-up to the sale of the whole network, to assisting the prospective franchisors in making decisions on the strategy, structure, economics, commercial policies and recruitment, and screening and selection methods of the franchisee.

With the end of the first quarter ending April, the industry has seen a growth of 25-30 % in the number of brands expanding through franchising in all the major categories over the same period last year. The market size of franchising industry of the country is currently estimated at US\$ 16 billion (roughly Rs 80,000 crore) and is expected to reach US\$ 20 billion by 2013. The franchising industry has witnessed a surge in the past decade and the role of such service is diversifying. From developing franchise networks, the scope of services offered has also started to incorporate diagnostics of the business.

With a number of brands entering the maturity stage of the franchise life cycle, a new analytical approach to problem-solving has been noticed. The service rendered no longer assist only new entrants into franchising, but also guides the mature players by suggesting formal methodologies or frameworks to identify problems and solutions.

FRAN BUZZ

Indian Franchise Association with Franchise India & Bloomberg is coming up with Indian Restaurant Congress – 20th & 21st August, 2011.



FRANCHISE INDIA Empowering Change Since 1999 | **Bloomberg | UTV**

Presents

INDIAN RESTAURANT CONGRESS 2011
National Convention on Business of Education

INDIAN RESTAURANT AWARDS 2011
National Awards on Excellence in Education

August 20th & 21st, '11. Hotel Claridges. Surajkund, Delhi

Awards | Conference | Exhibition

Indian Restaurant Congress is an excellent platform to bring together global leaders in the food service industry to share their knowledge and vision to accelerate the growth of this sector. The Congress intends to create a symposium where industry representatives will design a roadmap to consolidate the entire food service industry. The two day event would encompass Conference, Awards Night and Exhibition.

The various facets of the industry, exploring the growth opportunities and coping with challenges will be under the purview of the conference. The Award on the other hand will recognize and felicitate Achievers, Innovators and Suppliers who have contributed significantly towards the development of Restaurants in India. Last but not least, brands hailing from Indian Restaurant convention would participate and avail of the largest footfall, which is invariably expected in the Food & Beverage Industry.

Hot Event of the Month

Looking for Potential Franchising Partners in Sri Lanka

27th & 28th August 2011



"Focus Franchising 2011" offers unique, cost effective franchise opportunities for Indian Franchisors in Sri Lanka"

Indian Delegations comprising 40 delegates/companies from consumer brands would seek market opportunities in the form of master franchisees/investors or wholly owned subsidiaries in Sri Lanka

MARKET OPPORTUNITIES IN SRI LANKA

- > Sri Lankan economy recorded an impressive growth of 8.0 per cent in 2010. Sri Lankan market is concentrating on food, retail, jewellery & something "out of the box" required competing in the world market.
- > Utilization of the resources in full capacity
- > Sri Lanka is currently experiencing a substantial level of FDI and International support

"FOCUS FRANCHISING 2011" AND YOU

- > It will promote and develop economic ties and cooperation between India and Sri Lanka. "Focus Franchising" will prominently promote your brands & products across the Globe Exploring the untapped market opportunities in Sri Lanka.
- > Developing market strategies for Indian Brands by analyzing various factors affecting the brand promotion and success.

Benefits Offered to the Delegates:

- > Brand Promotion in Sri Lanka
- > Introducing your brands in the Sri Lankan franchising market to a customized target audience at a low cost
- > Establishing new and profitable commercial relations with Sri Lankan companies
- > Knowledge of the Sri Lankan Market



Here is a unique low cost opportunity to find the right franchising partner for your brand in SRI LANKA



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Case Study

The JOURNEY OF DRISHTI ACADEMY till now and the special initiatives that made it possible



DRISHTI ACADEMY was founded and established by Shri. Hadpad-retired Police Commissioner. In 2002, during his travels to various countries, he spotted an excellent and hitherto unexplored education system, known as UCMAS, an abacus based program, for children in the age group of 4 and 12 years. He was extremely impressed by this system and initially started this concept with one center as a franchisee and with 7 students in February 2002 in Mumbai. Emboldened by the progress that was shown by the students he took up the challenge of spreading this concept to every nook and corner of Maharashtra. Drishti conducted more than 1000 presentations and demos in front of parents, teachers, school trustees etc to create awareness about abacus training and its immense benefits. Today, the concept has spread all over Maharashtra and more than 150000 have been trained across 500 centers in the past 10 years.



The Work Force Which Undertook The Journey

For achieving this dream what was needed was a strong team force of dedicated likeminded individuals who would put the customer i.e. that small child first. The talent base was found in the form of immensely talented and highly educated housewives who by virtue spend most of their time to household work. Today a majority of the Franchisees/ Course Instructors/ Area Managers are women (1871) who owe their financial and emotional independence to this concept. Besides this, more than 10 senior citizens have joined the organization after their retirements from highly successful stints in various fields like defense, education, law etc. The company also has on roll around 6 physically handicapped employees who are given full support, encouragement and help for performing to the best of their abilities.

Milestones In The Journey Iso Certification And Quality Assurance Systems

Drishti is the only Master Franchisee in India, to have got the ISO Certification for "Training in abacus mental arithmetic and memory techniques, supply of course related materials, management of competitions and grading examinations, and franchising training." in the year 2007.

Dr. R.M.Hadpad is the recipient of the Rajeev Gandhi Award for Excellence in the field of Education and more than 20 National and International awards for his contribution to education. Its students from Maharashtra have been winning laurels in the International and National Mental Arithmetic and Abacus competitions.



Case Study

In addition to being top rankers in their academics in school these children have also participated in and emerged as winners in various competitions like Gyan Ratna Award 'Dr. Homi Bhabha Young Scientist' , "Maths Olympiad" Certificate of Merit" ,National Science Olympiad ,TSI General Knowledge competition, International Informatics Olympiad , Akhil Bhartiya Nagrik Vikas Kendra Drawing Competition; National Talent Exams, Brihan Mumbai Ganit Adhyapak Mandal Ganit Sambodh Exam, Open National Skating Competition,etc.



Competitions At Limca World Record Holder

Drishti Academy has been the first ever Master franchisee to introduce competitions at the STATE LEVEL in India. 2004 was the first State Level Competition with a modest attendance of 4464 students. It was held at the IES School at Dadar. From 2005 it is being held at the World Trade Center at Colaba and the number of students participating went up to 9704. In 2008 for which Drishti Academy has been recognized as WORLD RECORD HOLDER in the Limca Book of Records. In the year 2009 we have broken our own record with 10050 students participating.

Training Of Blind And Deaf And Dumb Children

With the help of the NAB and the co-operation of the Victoria School for the Blind, the Drishti Academy has trained 25 visually impaired children in the skills of Abacus for the past 5 years totally free of cost, as a social cause.

The visible proof of this effort has been the State Level Competitions where for the past two years, these children have been participating along with normal children. Their participation in the competitions and the demos given by them is the culmination of the long effort to integrate these visually impaired children in the mainstream of life. Drishti has also extended the abacus training to underprivileged children and have tied up with the NGO PROJECT CRAYONS which works with orphaned and abandoned street children.

The Challenges On The Way – Moving Ahead With Ima

Due to differences with the National Franchisor of UCMAS, Drishti tied up with INTERNATIONAL MENTAL ARITHMETIC- IMA and continued the commitment towards maintaining quality standards in teaching and service. The franchisees, parents, school trustees and other school management showed immense faith and trust in the capabilities of Drishti's management and our quality standards and continued with the abacus training under Drishti's tutelage and the IMA brand. This trust shown by the parents and reputed schools like Ryan Group of Schools, Goenka Associates Education Trust, Jamnabai Narsee Monjee School, Maneckji Cooper etc has renewed Drishti's zeal to bring the best methods of alternate educational concepts for children and deliver them with a eye on the future. Drishti today offers many novel concepts for children from 3 years and above namely Fundamentals of Abacus, IMA, Vedic Math's, Memory Technique, and Cambridge ESOL programs.

There are many more milestones for Drishti Academy to conquer in the coming years and go from strength to strength. "Drishti will always make sure that the interests, desires and needs of all our stakeholders are kept in balance by their active participation and communication, listening compassionately, thinking carefully and acting with integrity".

IFA New Improved Advert

Ensuring Best Practices in Franchising



Caution

Advice

Research

Evolve

Indian Franchise Association is India's premier, non-political, not-for-profit body representing Indian Franchise Sector. IFA's endeavor is to promote, promulgate and popularize the concept of franchising as a mode of doing business across the industry verticals and to nurture the entrepreneurial skill of every Indian.

IFA Services

franRecruit

India's first Professional Recruitment Service exclusively for the Franchise sector.



A bi-monthly e-bulletin covering every aspect of the franchise sector.

franConsult

Provides head to toe Franchise Development Program Services.

franExim

Delegation @ India vis a vis Globally

franlegal

A customized legal solutions provider to the entire Franchise Fraternity.

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A third Party Dispute Resolution Provider.

franMatch

A match making division between the franchisors and the franchisees.

franAdvocacy

Recommending Issues of the Franchise Sector to the Policy Makers.



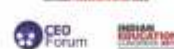
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Branding Opportunity: Outshine your competitor by positioning your brand at Fran(j)ews, IFA Newsletter or at IFA website www.franchiseindia.org
For branding Proposal, please write to pswati@franchiseindia.org



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