

Operational Summit: Section One Exercise

Overview: XYZ Company started franchising in 2015 and now has 50 franchisees. The current organization is outlined as follows:

CEO - Founder
Operations Manager
Marketing Manager
Franchise Consultant
Bookkeeper (part time)

The entire team is feeling the stress of supporting the franchisees, while trying to effectively implement new products and programs. Franchisees have shared their concerns that the marketing team doesn't have all of the necessary marketing collateral and that the response time from the team is unacceptable. Meanwhile, the CEO is frustrated that franchisees do not provide revenue reports in a timely manner and they have franchisees who are not current with royalties. They only have \$200,000 allocated to hiring new team members, so select from the following options to help grow the team:

CFO
\$125,000

- Worked for top franchise company
- Helped lead turnaround and previously closed private equity deal

Contract CFO
\$150 per hour

- Fractional time; 8 hours per week
- Works for other small / medium sized businesses

Accountant
\$80,000

- Graduated 50th in her class
- Passed CPA on her second try

Franchise Consultant
\$50,000

- Lots of industry experience, but no franchise support experience

Full Time Bookkeeper
\$48,000

- 15 years' experience in bookkeeping; no degree however

VP of Marketing
\$100,000

- On the market after relocation following spouses new job

Marketing Coordinator (Entry Level)
\$17 per hour

- New graduate with an associate's degree

Contract Writer
\$50 per hour

10 hours per week

- Internet based; lives in Topeka