



IFA26 evolve.



iFA INTERNATIONAL
FRANCHISE
ASSOCIATION

Build Smart From the Start:

Early Franchise Development & Ops Systems



FRANCHISE DEVELOPMENT AND OPERATIONS



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BY THE END, YOU WILL BE ABLE TO:

1. Design a minimum viable franchisor infrastructure:
 - A. Identify the essential home office roles, outsourced partners, tech stack, and capital priorities required to support the first 10 franchise units without creating founder bottlenecks.
2. Evaluate and select early franchisees using a structured decision framework
 - A. Apply an Early Franchisee Scorecard to distinguish high-potential “legacy owners” from risky candidates and articulate clear acceptance, mitigation, and support criteria.
3. Build and prioritize core operating systems that protect brand and enable speed
 - A. Create a 90-day onboarding map and a v1 operations manual skeleton that clearly define non-negotiable standards, allowable flex, and field support escalation paths.



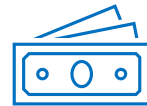
PART 1-INFRASTRUCTURE SET UP

(Handout 1)

Creates
Franchise Owner
Validation



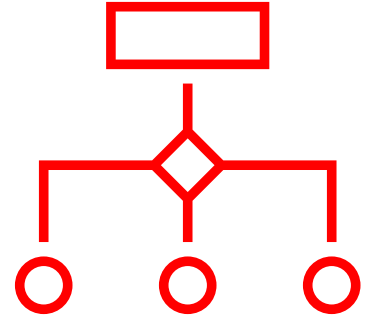
Fuels Franchise
Sales



Supports
Sustainable
Growth

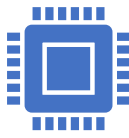
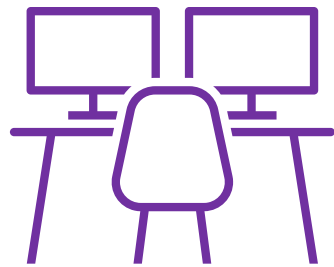


HOME OFFICE STAFF



Org Chart: These positions are in a startup role and will be supporting the entire department and oftentimes wearing many hats.

HOME OFFICE STAFF: \$290k-\$490k



Admin Assistant (\$60-\$80k)



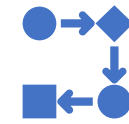
Operations/Trainer (\$70-\$150K)

*(Co)-Founder, VP, President, Director of Operations
Duties: Supporting onboarding, training, support resources and tools, business plan and P&L coaching



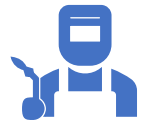
Marketing (\$60-\$100k)

Duties: Whatever is supported by Home Office and not outsourced to chosen marketing vendor(s)
Managing the outsourced Vendors
Managing the Ad Fund



Key support coordinator(s) (\$50-\$80k per)

Supports key process or system that hedges bottlenecks and increases ramp up, performance, and profitability of the system



5. Onboarding Coordinator (\$50-\$80k)



OUTSOURCED SUPPORT



Home Office:

- Legal
- Accounting, Controller, Finance
- PR - National



OUTSOURCED SUPPORT



Franchise Partners:

- Bookkeeping
- Marketing Vendor (SEO, Digital Marketing, Social Media)
- PR - Local Level
- Call Center
- Insurance
- Apparel
- B&M Construction & Build Out
- Vehicle Wraps & Outfitting

OUTSOURCED SUPPORT



National Suppliers:

(Support the product and/or service delivered to the customer):

*Generally, tie into COGS

- Ingredients
- Materials
- Supplies
- Products



TECH STACK SETUP:

Must Have:

- Project Management Tool (ClickUp, Monday, etc.)
- ✓ Intranet
- ✓ Announcements, HO contact info, Events, Vendors listings, etc.
- ✓ Resources
- ✓ Marketing Hub
- ✓ Knowledge Base
- ✓ Onboarding Checklist
- LMS (Trainual, etc.)
- CRM
- Main Platform (Google, Microsoft, etc.)
- Financial (Intuit Quickbooks, etc.)



TECH STACK SETUP:

Nice To Have:

- Internal communication tools (Slack, Teams, Hangouts, etc.)
- BI Tool (Google's Looker, etc.)
- Mass Email Tool (Mail Chimp, Constant Contact, etc.)
- Marketing Hub (Hubspot, ZoHo, Salesforce, Pipedrive, etc.)



NATIONAL BRANDING DEVELOPMENT:

- Reason to believe
- Customer persona
- Brand positioning
- Brand Messaging
- Niche established
- Service and/or Product offerings finalized
- Logo and brand design finalized



WORKING CAPITAL (\$400k-\$1.2M+):

- Home office team (\$150k-\$450k+)
 - Branding & Marketing setup (\$10k-\$20k+)
 - Logo, brand style guide, website, marketing collateral, storefront, vehicle wraps, apparel
 - Professional Consultants & Advisors (\$50k-\$150k+)
- *Some of the budget can be substituted for experienced executive(s) being added to the home office.
- GOCL mapped out, operations manual, training program, chart of accounts, B&M Buildout Roadmap



WORKING CAPITAL (\$400k-\$1.2M+):

- Operations Manual & Training Program (\$5k-\$20k+)
 - Manual, videos, training roadmap, and LMS configuration
- Legal (\$20k-\$50k+)
 - FDD formation
 - Initial customer, contractor, employee, etc. contracts
- BOA, bench of mentors (\$10k-\$20k+)



WORKING CAPITAL (\$400k-\$1.2M+):

- Franchise Development Strategy (\$100k-\$350k+)
 - Franchise consulting networks (memberships, events, sponsorships, and exposure)
 - Organic Marketing (SEO, digital marketing, social media, PR, and portals)
- Initial Tech Stack Buildout & Setup (\$5k-\$20k+)
 - BI Tool
 - Tech Stack Integrations



PART 2- VETTING & SIGNING EARLY FRANCHISEES

(Handout 2: Tool for your use)

- Early franchisees = co-developers of your system
 - Legacy owners/Early Adopters are generally more entrepreneurial.
 - Due to being more entrepreneurial they are not high process followers; it's a give and take.
 - Once bottlenecks are worked out and the model is proved out, begin looking for owners that are process driven and who want a more proven model.
- *The legacy owners who are more entrepreneurial owners must make the evolution or transition

PART 2- VETTING & SIGNING EARLY FRANCHISEES

(Handout 2)

- Hyper growth is key = Franchising is an expansion model based on speed.
- *Speed is relative to the experience of the leadership team, working capital, infrastructure to support more growth, etc. If you don't have the ability to grow fast, don't franchise (yet).
1. Growth means more enterprise value, brand recognition, tools/resources for support, buying power; and most importantly, an improved customer experience as a result.
 2. Franchising is a growth model. You owe it to your system to keep the pedal to the metal. No such thing as slow growth. If you are not growing, you are dying.

PART 2- VETTING & SIGNING EARLY FRANCHISEES

(Handout 2)

- You're choosing:
 - **Operators**, not investors (at first)
 - **Culture carriers**, not just buyers
 - **Feedback partners vs Customers**, not complainers
 - **Legacy Owners (Owners 1 - 10)**
 - Early adopters who are more entrepreneurial and help to work out bottle necks in the system

*Should have owners investing from your inner circle i.e., key employees from corporate location, associates within the industry, customers, etc.

*Every early investor pays most of the initial franchise fee

PART 2- VETTING & SIGNING EARLY FRANCHISEES (Handout 2)

- The cost of a “bad yes” exceeds the cost of a “good no.”
- Must not have a “no failure” rule your first 25 owners or growth will stall out.
 - Every time you add an owner, you must ask this question, will this “no failure” rule be broken (bandwidth of operations, training, support, culture, etc.)



HANDS ON EXERCISE: SCORECARD + SCENARIO VETTING

(Handout 3)

Groups of 3–5: Score candidates using the Early Franchisee Scorecard

Scenario Set A:

1. The High-Net-Worth Absentee

Strong capital, wants GM to run it, no industry background.

2. The Hustler Operator

Limited cash, deep local network, wants to be in-store daily.

3. The Multi-Unit Pro

Owns other franchises, expects autonomy, references are solid.

HANDS ON EXERCISE: SCORECARD + SCENARIO VETTING

(Handout 3)

Task (15 min):

Score each candidate. Choose **one to award a franchise** and justify in 3 bullets:

1. Why them?

- Do they understand the day to day of the sales and operations of the business?
- Do they clearly understand the pain points of the business?

- Do they understand how the business generates leads and delivers the product and/or service?
- Do they believe in the mission, niche, service and/or product offerings that the brand is bringing to their market?
- Does their legacy and lifestyle interests match the brand?
- Is there cultural alignment with the brand?

2. What risks you'll mitigate?

3. What support you'll require?



HANDS ON EXERCISE: SCORECARD + SCENARIO VETTING

(Handout 3)

Debrief (5 mins)

- **A few groups share pick + Top 2 rules from their scorecard**
- **Subway Lesson: Speed can punish weak selection**

PART 3- ONBOARDING THAT PROTECTS BRAND + KEEPS SPEED

Micro-teach: onboarding as your first control system (7 min)

Key points:

- Onboarding = **training + certification+ field support + early QA**
- Must answer:
 1. What are brand red-lines?
 2. What can flex by market?
 3. What does “ready to open” mean in observable terms?

* Kroc: Training and field enforcement were built before massive scale.



BUILD A 90-DAY ONBOARDING MAP (Handout 4)

Individual (5 min):

Fill the 90-Day Onboarding Map:

- Pre-opening (30 days)
- Opening week
- Post-opening (60 days)

They specify:

- Training methods (in-person, LMS, shadowing, etc.)
- Required certifications

- QA checkpoints

- “Red-line standards” that cannot be violated

Pairs/triads (10 min):

Swap maps and stress test:

- “Where might a franchisee drift?”
- “Where does HQ bottleneck?”

BUILD A 90-DAY ONBOARDING MAP (Handout 4)

Group Share (5 Mins)

- “Best Red-Lines,” and
- “Best Speed hacks”

**Sanders: Keep non-negotiated simple, teachable, and testable.*



PART 4: SUPPORTING GROWTH WITHOUT BURNING OUT YOUR SMALL TEAM

(Handout 5)

Micro-teach: field support for first 10 units (8 min)

Key points:

- Your small team will fail if:
 - everything routes to founder
 - support is reactive only
- **Cadence beats heroics.**
- Early field support should be **simple, repeatable, and measurable.**

Introduce the "3-lane support model":

1. Self-serve (manuals, video, FAQs)
2. Scheduled support (weekly calls, audits)
3. Escalations (critical issues only)



OPS MANUALS + FIELD STRATEGIES THAT EVOLVE

Micro-teach: v1 manuals are living tools (7 min)

Key points:

- v1 manual is **not a book**, it's a **minimum viable set of standards**
- Organize by risk & frequency:
 1. Brand/legal safety
 2. Unit economics drivers
 3. Customer experience
 4. Daily operations

Separate:

- **Core standards** (never change)
- **Local flex** (guardrails)

**KFC/Sanders: a tight "core"
lets the rest evolve.**



EXERCISE: OPS MANUAL SKELETON

(Handout 6)

Individual (7 min)

Fill Ops Manual Skeleton:

- List top 8 modules you need first
- Label each **Core vs Flexible**
- Choose **what to write next month** vs later

Small group (6 min)

Scenario Set C: "manual stress test."

Scenario Set C:

1. A franchisee wants to substitute a cheaper ingredient.

2. A location is failing because local market differs.

3. Franchisee says: "the manual doesn't mention this problem."

Task: Decide:

- Is it Core or Flexible issue?
- What manual change do you add?
- What field action do you take tomorrow?

Close + Commitments

(Handout Final Commitment Page)

Lightning “commitment round”:

Each participant states:

1. **One Franchisee-selection red flag** they’ll enforce.
2. **One onboarding red-line** they’ll codify.
3. **One manual module** they’ll write next.

SCALE DOESN'T COME FROM HAVING A BIG TEAM. IT COMES FROM HAVING SMALL SYSTEMS THAT DON'T BREAK WHEN YOU GROW!!



Breakout Bonanza
Scan the code at the End of a Wednesday AM Breakout Session
to Earn 2 Points!

Scan code in your event app



Unable to scan?
Enter code: **WEDBRE**

