

## **Draft Franchise OPM Outline – Retail Operations**

### **How to use the OPM**

Copyright notice and related information  
Management of the manual  
Important user information  
Icons used throughout the manual

### **Introduction to .....**

Welcome  
Our background  
Our franchise philosophy  
Who's who? (head office organogram)  
Intellectual property  
Franchise terminology

### **Franchisor/franchisee relations**

Overview of the franchisor/franchisee relationship  
Operational control  
    Transfer of control  
The field service consultant's role (or equivalent)  
    Store visit reports and feedback  
Maintaining standards  
Communication infrastructure  
    Reporting requirements

### **Setting up the business**

Legal and statutory issues – Registering a business entity  
    The benefits of creating a formal business structure  
    Naming and registering your company  
Statutory registrations  
    Registering with SARS  
        Registration for income tax  
        Registration for PAYE  
        Registration for UIF/SDL  
        Registration for VAT  
        Registration for COIDA  
    Registering with the Department of Labour  
    Other statutory registrations (if applicable)  
    Registration for (...industry specific)  
Communications and utilities  
    Postal address  
    Voice and data connections  
    Utilities  
Establishing a bank connection  
    Essential banking services  
    Setting up a business bank account  
    Applying for credit card services/machines and links  
Insurance issues  
    Business insurance  
    Personal insurance  
    Appointing an insurance broker  
Franchisee and staff initial training

## **Corporate identity**

The importance of branding

- What exactly is CI?

- Avoiding brand dilution

The branding blueprint

- How consumers form perceptions

The franchisee's role in brand building

Corporate Identity

- CI specifications and application

  - Standard specifications

  - The correct way to distribute CI specifications

- Application of the CI

  - Logo/trademark

  - Supplementary logos used in the business

  - Internal and external store signage

  - Marketing and advertising material

  - Display areas and POS material

  - Branded items (such as plastic carrier bags)

  - Vehicles

- Corporate stationery

  - Business cards

  - Letterheads

  - Compliment slips

  - Other

- Keeping up appearances

  - Dress code

  - Corporate closet (including name badges)

  - Cultural sensitivity

## **Marketing and sales**

About marketing

- Some useful marketing terminology

- The famous P factors (5 of them)

Marketing in practice

- Who are our customers?

- Who are our competitors?

Effective interaction with customers

The selling function

- Everyone on your team works in sales

- In-store selling versus cold-calling corporate / small business customer acquisitions

  - The sales process (cold-calling)

  - Identifying suitable businesses (i.e. not already a Waltons contact / national customer) and scheduling appointments

  - Presenting to potential customers

  - Customer needs analysis

  - Customer proposals / quotes

Coordination of marketing activities

- National marketing

- Your local marketing plan

- Planning your local marketing initiatives

- Other considerations about marketing

- Social media

- Promotional policy
  - PR and media relations
  - Scoring through PR
  - Other promotional activities
- Brand-building activities
  - Community involvement

### **Product range, merchandising and logistics**

- The product range policy
- Product categories
- Approved suppliers (external suppliers and home brands/imports)
  - External suppliers
  - Central distribution/warehouse
- Receiving and handling of goods
  - Ordering stock
  - Goods receiving procedure
  - Stock management and storage
  - Stock control
  - Carrying out the stock take
  - Process for dealing with stock shortages
  - Return of goods by customers (refunds and exchange policy)
  - Return of goods to suppliers
  - Dealing with slow-moving stock
- Merchandising issues
  - Placing goods onto shelves (planograms)
  - Promotional displays
  - Stock must be plentiful
  - Price marking stock
- Pricing issues
  - Understanding pricing, mark up and margins
  - Discounts

### **Business operations**

- General aspects of store operations
  - Store key control
  - Procedure for store opening/closing
  - Getting ready to do business (manager checklists)
  - Store closing procedure
  - Recommended business hours
  - Staff duty roster
- Effective communications
  - Using the telephone
  - Email and internet policy
- Housekeeping
  - Overall impressions
  - Tidy store/desks/counters/sales floor / cash desks / merchandising shelves and racks
- Store maintenance requirements
  - Computer and till equipment
  - Fixtures, furniture and fittings
- Occupational health and safety
- Customer service
  - What is customer service/care?
  - Understand your customers

- Collect information about your customers (customer database)
- Manage your customer information
- Marketing to and communicating with the database
- Updating the database
- Measure your customer service levels
- Customer complaints and complaints handling
- Head office involvement with customer complaints

### **Administration of the business**

- Standard POS system and back office (admin system)
- Looking after the money
  - Handling cash
  - Processing business transactions (sales, returns, exchanges etc)
  - Dealing with contract / national customers
    - Taking orders
    - Delivering stock / delivery notes
  - Creditor's control and managing the supplier relationship
  - Cash ups and banking
  - Debtors
    - Debtors' policy and management system
    - Account application forms and supporting documentation
    - Opening accounts on the system and communicating with customers
    - Managing the debtors' book (limits, statements, age analysis, overdue letters)
- Business expenses
  - Paying all business expenses timeously
  - Paying the management service and marketing fees
- Bookkeeping and statutory compliance
  - Reports generated by the bookkeeper
  - Filing of business documents
- The business planning cycle
  - Drawing up a budget
  - Key business calculations (profitability, performance ratios etc)

### **HR issues**

- Policy statement regarding HR issues
- The need for professional representation
- Legislation governing labour relations
  - The main pieces of legislation and their focus
- The practical impact of labour legislation
- The employment contract
  - What every employment contract must contain
- Things to consider before you hire staff
  - Staff compliment
  - Developing a compensation package
- Building your team
  - Anatomy of a ..... employee
- Personnel administration
  - The staff recruitment process
    - Essential preparations
    - Conducting the job interview
    - Appointing new staff
- HR administration (hours or work, leave, sick leave, maternity leave etc.)

Managing staff performance  
    Performance appraisals  
Disciplinary code and procedures  
    Counseling  
    Disciplinary procedures  
    Grievance procedures  
Security policy (re staff purchases, searching etc...)  
HIV/AIDS policy