

YOUR GUIDE TO BECOMING A TOP EMPLOYER IN FRANCHISING



INTRODUCTION

It's no secret that franchising is a competitive industry. If you and your franchisees aren't delivering, customers have options. That's why it's so important to be at the top of your game operationally – and do you know who defines operational success? It may start with you and your franchisees, but it ends with your employees.

Your employees are who you and your franchisees trust to represent your brand, those who you trust to serve your customers to the highest standards, those who – by the way, also have options.

In fact, in our annual [Candidate Experience Report](#), we found that **49% of employees across multiple industries have thought about leaving their jobs in the last year.**

Before you read on, ask yourself: *What have we built into our franchise model that motivates employees to stay?*

The rest of this guide will help you with an even more important second question: *What more can we do to motivate employees to stay?*

The answers to these questions are how you become a top employer in franchising and accelerate the growth of your brand.

Implementing this guide

How to use this guide heavily depends on your role in your franchise system. If you are an operations leader or field coach, you may want to propose new changes in your employee onboarding process, a new employee engagement strategy, or an updated system to gather employee feedback.

If you're a franchisee who landed on this guide, you may want to connect with your field coach or franchisor and propose testing some new employee satisfaction initiatives on behalf of the franchise system.

If you're a franchise leader in marketing, franchise development, or a founder/CEO, you'll likely find yourself wanting to share this information with your leadership team. However you choose to implement it, we're happy to serve as a valuable resource.

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THE PERKS OF BEING A TOP EMPLOYER

What defines a top employer in franchising? High employee retention is a key indicator, but it encompasses much more: an effective interview process, comprehensive onboarding and training, efficient scheduling, strong employee engagement and rewards, competitive benefits and compensation, and a proactive approach to collecting and acting on employee feedback.

Internal (operational) benefits

One of the most prominent business benefits of happy employees is a happy bottom line. You may be asking yourself - how do low turnover and high employee satisfaction increase profitability?

Let's take a look at what happens when turnover does strike. Usually, high turnover leaves managers scrambling to hire and fill the vacant positions. In the meantime, staffing shortages can cause a significant disruption to what are normally smooth operations.

Work culture and the customer experience go hand in hand, as unhappy employees have little motivation to perform at a high standard.

According to one survey, "85% of respondents agree that an improved employee experience and higher employee engagement translate to a better customer experience, higher customer satisfaction, and higher revenues for their organization."



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Of survey respondents agree that an improved employee experience and higher employee engagement translate to a better customer experience, higher customer satisfaction, and higher revenues for their organization.

Employee engagement does not just mean how engaged employees are with your brand, managers, and other employees, but it also speaks to how engaged they are with customers. When regular customers can recognize the faces that serve them each time and perhaps even engage in conversation with them, it provides a superior customer experience – and can often mean the difference between bringing their business to you vs. a competitor.

Plus, in today's digital age, it only takes a few minutes for a (positive or negative) customer experience to turn into a customer review. It is all one big domino effect: A positive employee experience leads to a positive customer experience, which leads to a positive reputation (or employer brand).



Who doesn't love getting awarded?

A positive reputation can also lead to recognition from top organizations like Franchise Business Review's Franchising at Work and Top Workplace Awards!

HOW TO BECOME A TOP EMPLOYER IN FRANCHISING



Set employer expectations with franchisees

At the ground level, it's important to establish employer standards and communicate those expectations with your franchisees. This starts with creating core values and implementing them into your operations and hiring strategy.

💡 If you haven't already defined the core values for your business or think it's time for a refresh, take a look at [this blog from CareerPlug Founder & CEO, Clint Smith on writing core values.](#)

For Franchise Development leaders, finding the right candidate to represent and grow your brand is crucial. It is vital to communicate your values and expectations with franchisees, starting with the Discovery Process, throughout franchisee onboarding, and continuously as they run their business.

A note on joint employer:

Franchises provide their franchisees with a playbook of best practices that can help their business flourish, but franchisees must make their own employment decisions like controlling their hiring/firing decisions, managing employee documentation, and compiling an employee benefits package. Franchisors can avoid joint-employer implications and still deliver value by offering optional resources to franchisees.

Franchisors should:

- **Clearly define the relationship between them and their franchisees regarding employment policies (with the help of a franchise attorney and legal counsel).**
- **Provide best practice insights, but avoid mandating rules related to job descriptions, steps in hiring process, etc.***

Equip franchisees to attract the right employees and improve onboarding

Becoming a top employer starts with the hiring process. Finding the right employees sets a business up for success, and a strong onboarding process does the same for new employees.


Recruiting tips for your franchisees

When there's an open role, the hiring manager or employer should start by defining which characteristics matter most in an applicant. [Pre-screen questions](#) on the application allow hiring managers to pinpoint which applicants meet the minimum qualifications and have the desired traits.

When [promoting the job online](#), local or niche job boards can be a great way to find talented workers in the community. Platforms like Facebook, Instagram, and TikTok have also become great marketing tools for employers. [Lizzy Young, CFE](#) recently sat down with former multi-unit Which Wich franchisee [\(TJ\) Thomas Schier, Jr.](#), who emphasized the importance of meeting the job candidates where they are:

"If I were a franchisee today, I would be on social media a lot - talking about the things we do for our team and what it's like to work for our company."

Leveraging technology in hiring, like an applicant tracking system (ATS) can also help small businesses expand their reach by giving them tools to promote their jobs online and in-person and improve the application process for potential hires.

 **If you're curious about offering an ATS to your organization, check out [this Ultimate Guide to Applicant Tracking Systems](#) and learn more about choosing the right solution.**

Building a strong employer brand

Your employer brand is your business's reputation as a place to work, as seen from job seekers' perspectives. This concept also translates into Franchise Development, as a quick Google search by a franchise candidate full of negative reviews is not exactly a "selling point" to invest in that brand.

Being a great place to work is the foundation for having a great employer brand. But you can also actively build your brand online by:

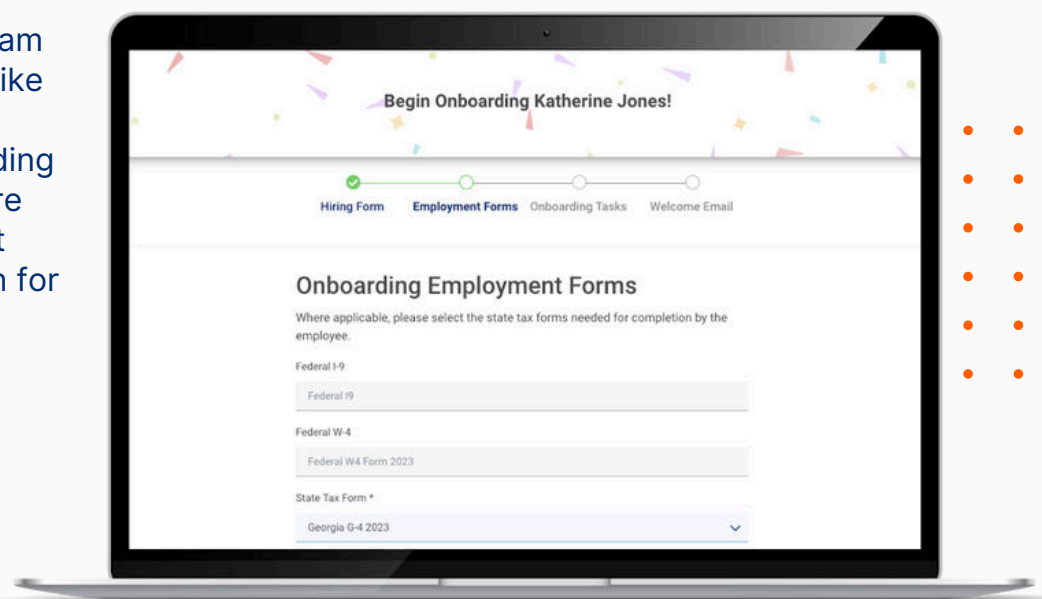
- Encouraging franchisees to create great candidate experiences during the hiring process.
- Creating a great company "Careers page" that highlights your culture and includes positive testimonials from current employees
- Asking current employees to leave reviews on sites like GlassDoor.

Implement a more consistent onboarding process

Onboarding is the first impression new hires have of your company and can impact their tenure. Keeping onboarding consistent across franchise locations can create a standardized and better experience that's easier for both employers and employees.

Keys to onboarding include setting both short and long-term goals with new employees and making sure that all expectations are clear. And of course, you can't forget all the new hire paperwork and legal requirements!

An Onboarding and Team Management solution like CareerPlug can ensure consistency in onboarding plans and create a more organized and efficient experience – a win, win for both managers and employees.



Reduce turnover and improve employee engagement

Losing experienced employees and facing staffing shortages disrupt the businesses' operations and negatively impact the customer experience. Not to mention, it's expensive.

The **cost of replacing one employee** can be as much as 2x the employee's annual salary.

Causes of Turnover:

- Dissatisfaction with current compensation
- Poor onboarding experience
- Not enough flexibility
- Lack of benefits
- The work environment
- Conflicting responsibilities



Avoiding the “I quit”

To avoid the dreaded “I quit”, franchisees should focus on addressing the reasons employees quit. Offering competitive compensation and good benefits are steps one and two. Flexibility and work-life balance can prevent burnout and help employees juggle work with other responsibilities. This is especially true in industries like hospitality, which employ students or serve as second jobs for the 9-5 workforce.

And of course, employers should aim to create a positive work environment where employees feel comfortable and have their needs met. Employee engagement goes hand in hand with this.

Driving employee engagement

Employee engagement is how franchisees can keep employees satisfied, boosting morale and productivity. This is also a key part of a retention strategy and can help them create a more loyal workforce. Here are some employee engagement tips for franchisees:

- Recognize and reward hard-working employees
- Deploy continuous training and development for employees
- Provide regular feedback and conduct performance reviews
- Give employees an opportunity to voice how they are doing with regular [Pulse surveys](#)
- Drive adoption of these strategies within your entire franchise system



Addressing Negative Feedback

Inevitably, employers will encounter some type of negative feedback at some point. It's important to remember that not every franchisee has business or management experience unless it's a qualification in the discovery process.

Because of this, the more resources you can provide them on conflict resolution and workforce management, the better.

Here are some tips for franchisees on how to address negative employee feedback:

- Listen intently and take notes when you can
- Repeat their feedback back to them to let them know you hear and understand their feelings and concerns.
- Ask for clarification until you fully understand the root of each issue.
- Ask them for actionable steps on what specific changes they would like to see.
- Follow up after your conversation with a plan and timeline of how you will go about implementing those action items
- Keep the conversation going and check with them regularly whether they feel improvements have been made.




Did you know? CareerPlug has a whole team of [Hiring Experts](#) ready to offer franchisee support in hiring and retaining employees!




Ready to take action?


Let's sum it all up. To become a top employer in franchising, franchisors should:



Set clear employment expectations with franchisees and provide optional guidance and resources



Equip franchisees to attract the right employees and improve their onboarding process



Reduce turnover by improving employee engagement and retention

Offering your franchisees a hiring and retention tool like CareerPlug can help them improve employment practices. Plus, a partnership with CareerPlug helps you grow your business and protect your brand through exclusive member benefits like discounted pricing and franchisee support.



Want to learn more about offering CareerPlug to your franchisees? **Book a Discovery Call** to ask questions and share more about your current hiring and employee retention solutions.

About CareerPlug

CareerPlug builds better managers. Since 2007, our proven playbook has been used to grow over 60,000 teams. We've built easy-to-use software for you and your front-line managers to quickly attract, schedule, and evaluate the right people to hire. We then give you the tools to onboard new hires, engage with existing employees, and build a culture where they can thrive. Most importantly, with CareerPlug, you get more than just software — you get human hiring experts and a partner invested in your growth. We are the preferred partner for over 400 franchise brands, networks, and multi-location business owners to help them grow their brands.

[Learn more about our product.](#)



*This information is intended to provide useful information on the topic covered, but none of the information should be construed as legal advice or a legal opinion. Due to the evolving nature of this topic and potential differences in regional regulations, it is crucial for franchisors and franchisees to seek legal advice specific to their jurisdiction to fully understand their rights, obligations, and any potential joint employer considerations.**

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