

After the Dot.Com is over

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For many people the last decade has been like a dream. The economy was on a steady and seemingly never ending rise. Jobs were plentiful and companies were so strapped for labor that layoffs were the most distant thing from worker's thoughts. In many industries there was a bidding war for talent. It was the age of the Internet, ecommerce and the 401K. We had finally licked the economic cycles that had plagued capitalism for generations – so we thought.

Then came the attack on Microsoft by the Clinton Administration. The business strategy of measuring success based upon burn rates was replaced by an old fashioned concept of profit and return on investment. Seemingly overnight, confidence began to erode in the new economy. The stock markets began to turn down, growth slowed and evaporated, layoffs began and accelerated and the best you could hope from your 401K was that it had not turned into a 201K. The dream was over, and for many workers who thought that employment was permanent; the nightmare that jobs in their industries had vanished became a reality.

Even should the economy return to some level of robustness, many individuals will start to look to alternatives to returning to the labor force. And, just as they have during past economic downturns many will begin to explore the option of starting their own small businesses in the belief that owning a business will give them back control over their destiny.

Many seasoned executive will quickly realize though that even if they had run divisions of major corporations, they lack the experience and skills necessary to start and operate a small business on their own. As employees they had all of the support services provided by their former employer. But those are services are still on the 23rd floor where they left them.

While a franchisor is not going to replace your secretary or accounting department, established franchise systems will provide the support you will need. Mature franchisors provide brands that are recognized by the public, operating systems designed to deliver products and services consistently from location to location and marketing programs that get the brand in front of the customer. New franchisees receive comprehensive initial training when they join a franchise system. They benefit from operations manuals, assistance in selecting and developing their locations and group buying programs that reduce their start up and operating expenses. As a franchisee they have not only their franchisor to turn to when issues arise, but can also ask for advice from the network of other franchisees that share their brand. They get a system that prepares them for business ownership and supports them once the business is up and running.

But not every franchise opportunity is a sound investment and not everyone should become a franchisee. Before you begin to look through the thousands of opportunities within franchising, it is best to begin with a personal audit. Are you a candidate for franchise ownership?

If you're an entrepreneur, likely you won't be happy as a franchisee. Entrepreneurs like to chart their own waters and make their own decisions. Franchisees though operate within the restrictions imposed by their franchisor. For the public to receive consistency from location to location, franchisors require a high degree of uniformity on how the locations look and operate. They closely control the products and services that franchisees can offer. They can dictate the location and determine the hours of operation. Where the brand touches the consumer, most strong franchise system will have rules that you will need to follow.

For those who need absolute control over how they will operate their businesses franchising is not an option. If you fit that description, start your own business. With hard work, talent and some luck maybe you will prosper and just maybe you can someday become a franchisor. That how most franchise systems were begun.

If you're a team player that can operate within a system, franchising may be the perfect ticket for you. Great franchisees are "Entrepreneur Lites". They take the franchisor's system, energize it with their own personality for customer service and quality and succeed by executing perfectly.

For those team players, franchising is a terrific alternative to returning to corporate life.