

NETWORKING: Now More Important than Ever

Get the benefit of sharing ideas with many who face the same challenges that we do each day.

BY PAUL W. ECKERT



As we look at the landscape of our industry, we will probably find that the average franchisor has limited resources to work with. That is why it is always prudent to view just what resources we should allocate to any endeavor. We are

living in a very unique period of time, one that affects both our economy and the business environment as a whole. As things get more challenging, we all tend to look even harder at just how we can be more efficient with both our time and our money. At times, we may feel that it's time to cut our costs and slash all unnecessary spending. This is exactly what is happening all around the country in every organization, large and small.

Reach out to the business community.

In today's economy, many business owners only want to evaluate the activity that directly and immediately affects their balance sheet. Discretionary spending is a term that we all use in our budget meetings, but the decisions that we make to balance our budgets can deeply affect the growth of our businesses. Therefore, it is important to properly evaluate and identify the items that are important to the growth of your individual organization. Too often, in an effort to curb travel costs, the necessity to attend conferences and other industry functions is questioned. To some, the expenses related to attending these functions and other opportunities to network are viewed as not vital or essential. This short-



sighted approach does not serve us well. Franchising professionals need to take full advantage of every opportunity to network with others.

Why is this so important? You may have had a certain predisposition toward a particular idea or area of operating your business for years. You feel that this path has worked for you and you're going to stay the course. Often the people who work for you know how you think and they may shy away from challenging your positions on a variety of business issues. This can lead to trouble for you and your organization. With this attitude, how can you ever open yourself up to new and exciting ideas and products that can enrich and grow your business? You need to challenge yourself and you need to be challenged to think differently. It probably will never happen in the comfortable confines of your office.

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Change is Necessary

And that is why attending conferences such as the International Franchise Association's yearly convention is so vital. Here you will find a large gathering of individuals who are facing the same challenges in the same industry as you are. It is a unique opportunity to gain many different perspectives on a variety of issues facing you every day. The way we operate and grow our businesses has to change. We need to have open-minded flexibility about how we make decisions. We need to understand that innovative and new approaches are the order of the day.

How do we best prepare our business and ourselves for the future? We must talk and share ideas with others. We need to disagree, agree to disagree, but most importantly, we need to think. When we go to a large convention, we not only have a program that is designed to get us to look at the key issues of the day, but we also get the benefit of sharing ideas with many who face the same challenges that we do each day.

How do you put a price tag on that? You

never know when and where and from whom the next great idea you hear will come from. But there is a high probability that the process will begin by networking with your peers. And large groups can lead to great ideas with even greater results.

Work closely with the consultant networks.

How can you get the greatest benefit from networking at an IFA convention? Approach this opportunity with the right frame of mind and the right mindset. It has to be more than just a chance to get away for a few days, with a main focus of catching up with old friends and acquaintances. That's not maximizing your time or your effectiveness at networking. That might be the reason some put networking way down on the budgetary list.

Preparation is Key

You should have a plan of action for every networking opportunity that presents itself. Here are a few questions that you can ask yourself:

- What problems have I encountered that I would like to get feedback on?
- How are others addressing these same issues?
- What key areas am I most interested in obtaining more information about: finance, operations, franchise relations, development, marketing, legal, new products, or new vendors?

Prioritize Your Time. You can't talk to every person about every issue, so distill your action plan to two or three main items. Then determine whom you would like to discuss these items with. Why not get involved and volunteer to be part of a committee? Don't be afraid to take the time to participate. The closer the connections you make with those in the industry, the better your understanding of current and future challenges will be.

Don't think that these ideas are reserved just for large conferences. Take the

networking mindset "local." Reach out to the business community in your area. Many independent entrepreneurs can give you insight on how your franchisees might be feeling about things in general. You will get this in an unfiltered way that will enable you to be aware of things that you had not observed before.

The real danger for franchisors doing business in these times is in thinking that everyone is still on the same page. With the issues of obtaining good lead flow and the difficulty in obtaining financing, it is imperative that you have a clear understanding of how you and your brand is viewed in the market place. Work closely with the consultant networks if this is part of your development strategy. Often they know what candidates are thinking. In the current environment, it is vital to understand how your business model plays in this economy. You may need to set up a mini-conference to exchange thoughts on how your brand is viewed by franchisee candidates and customers as well.

Many business owners talk about scaling back, cutting their development budgets, pairing back on staff and so forth. This may all be necessary and prudent in your particular situation. But before you make any decision, be sure that you are looking at more than just numbers. Take into account all of the facts. By expanding your efforts in networking, you can help round out your decision-making process. In most cases, the decisions you make now will have long lasting ramifications for the future. You have to get it right. We, in franchising, need to talk, listen, exchange ideas, encourage, and yes sometimes even commiserate, with one another. ■

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Eckert also serves on IFA's Franchise Relations Committee. For a perspective on franchise relations, visit the committee online at IFA's Web site, www.franchise.org, by selecting Member Resources, Publications then Franchise Relations Documents.

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