Do You Work For Franchisors

FAQs · https://jeffreysummers.com/docs/do-you-work-for-franchisors/

No. And because this comes up every few months, the answer is published, dated, and on the record rather than handled quietly.

The inquiry arrives from a brand-standards group, an operations office, or the private-equity ownership sitting above both. The ask is always some version of the same thing: come in, read the system, give us something we can roll out across the network.

Why I Decline

Not because franchising offends me, and not because the people sending those inquiries are acting in bad faith. I decline because of where the buyer stands in the system. The party writing the check is not the party standing in the building, carrying the risk, or living with the result. In that configuration my work stops being an instrument of the operator's own read and becomes an instrument of extraction pointed at operators who never chose it.

The mechanism has a name in my framework: [Franchisor Arbitrage]. It names franchisor-side extraction of operating capacity from a captive operator network, running through three components installed in the agreement at signing -- operating-manual authority, exit-blockage provisions, and mid-contract mandate installation capacity the operator has no authority to refuse. The load-bearing property is where the money comes from. A franchisor's revenue is collected from the network whether or not the individual unit compounded anything that period. The operator produces. The franchisor collects.

That is a different economic animal from an operation. An operation produces its result. A collection architecture receives its result. My entire body of work is built for the first one.

This Is A Scope Refusal, Not A Flat No

The test is runnable, and it is in the published piece. If your side of the table is the one carrying the operating risk, we have something to talk about.

The position in full: Why I Won't Work For Franchisors.

Discover more from Jeffrey Summers

Subscribe to get the latest posts sent to your email.