

RIGHT PEOPLE right place

SELECTOR HAS BEEN UNLOCKING THE SECRETS OF SUCCESSFUL FRANCHISEES IN NEW ZEALAND

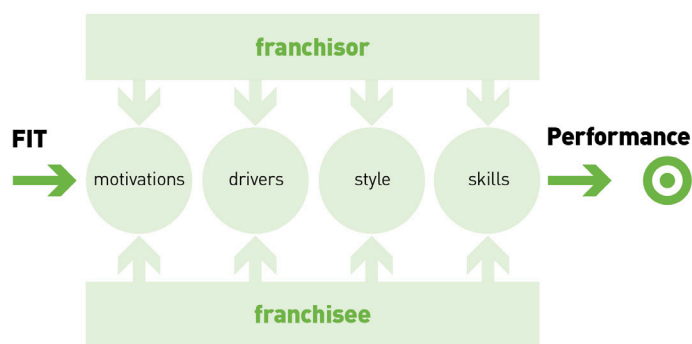


WHY DO SOME FRANCHISEES THRIVE WHILE OTHERS STRUGGLE? NEW RESEARCH IS HELPING UNLOCK THE SECRETS

➔ Why is it that, given the same training and using the same systems, some franchisees create thriving businesses while others struggle? And why is it so difficult for many franchisors to find suitable franchisees?

These are the questions that a New Zealand company is investigating, looking at several national franchises here to find out the keys to success. Selector Limited has been developing its psychometric-based tools and business performance consultancy for more than 10 years. Now it's applying those insights in even more depth to the franchise sector to define what makes successful franchisees successful, and what support those who are struggling might need.

'Some people are a bit afraid when they hear the term "psychometric testing",' says Selector consultant psychologist Grant Amos. 'But all it does is measure how people relate to others – what they pay attention to, what they might pay less attention to, what will motivate them – and apply that to the demands of a particular role. It's about ensuring the right fit between the person, the role and the business culture. There's no pass or fail, because everyone's personality is unique, but psychometric tests can show why someone might forge ahead in one job but struggle in another. And they can also show whether successful franchisees share certain common characteristics.'



Grant says that for psychometric-based recommendations to be reliable results have to be thoroughly interpreted based on a true understanding of the work environment. 'Selector's franchise research began several years ago when one franchisor approached us for help. Some of its franchisees sold out after three years, while others, working with exactly the same systems, prospered and grew their businesses.'

'Working with the six top performers in the franchise, we found similar characteristics that were frequently missing in franchisees who were struggling. For example, five out of the six top franchisees were big picture, strategic thinkers, and four out of the five were also very good with numbers. That has implications for the qualities the franchise would look for when recruiting new franchisees, but it went further than that. The assessment also allowed franchisors to work out how to compensate. The territory manager for a franchisee who wasn't a strong strategic thinker knew to visit that franchisee before any significant changes in direction, outline what was happening and give the franchisee time to get used to the change. And the franchisee

who wasn't so hot on numbers adapted by immediately adopting new systems and processes that made the bookwork easier.'

Other franchises have now joined in Selector's research, which aims to give insights across sectors such as retail, home services, health and food retailing. 'We have no doubt we'll find that there are similar but different characteristics of success across all these sectors,' says Grant. 'Research shows that 60 per cent of an individual's success in their work comes down to their environment, so it makes sense that someone who thrives in, say, a home handyman retail environment might be quite different from someone who thrives in a fast food environment. The key is to find out what the factors of success are for each environment, measure prospective franchisees against that and then find out what areas of weakness they may need extra help in if they are to succeed.'

DEVELOPED FOR NEW ZEALAND

One of the strengths of Selector's psychometric testing tools is that they have been developed for Australasia and the research is being done in New Zealand so that they can truly measure people against our environment – not against the norms for some other country.

'Everyone's behaviour is affected by the culture they are in, and New Zealand franchises need to know how people compare with other New Zealand business owners and employees,' says Grant. 'Insights developed for a foreign working environment won't always show what support people are likely to need in our environment.'

As well as helping franchisors discover prospective franchisees' strengths, weaknesses and support needs, Selector also offers tools that will help franchisors and franchisees hire people who will truly excel at their work. This helps franchisors create super-effective support and management teams, and franchisees build strong workplace teams.

'Like other business people, most franchisees rely on interviews to choose who to hire,' says Grant. 'But an interview is a performance, and some people perform well in interviews while others don't. Without an objective test there is a large element of guesswork. The person with the best fit for the job may be someone who doesn't perform well in an interview – and then you'll have missed them.'

'The Selector Insight tool and assessments can help employers get behind that performance to find out what people are really like – what motivates them, whether they need constant supervision, whether they are good at taking initiative, whether they will get bored and quickly move on, whether they will get discouraged and quit. Costs for interpretive tests start from \$225 +gst. It's a small investment to make to avoid the very costly mistake of a bad hiring decision.'

Selector will be releasing some of the insights from its study into franchises later this year. In the meantime, Grant invites you to find out more about Selector Insight and other Selector tools by calling him or visiting the website. ■

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