



WEIGHING THE PROS AND CONS OF FRANCHISE OWNERSHIP



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INTRODUCTION

The best way to flourish is to get in on an upward trend, early. And right now there are few industries that can offer opportunities as robust as the multi-billion dollar construction technology sector. Traditionally slow to embrace emerging technology, the construction industry is now rushing to catch up and each of the millions of jobsites around the world are ripe with opportunity for forward-thinking entrepreneurs ready to provide specialized services.

CONSTRUCTION DOCUMENTATION SERVICES

No one would confuse the construction industry with a well-oiled machine. If you have friends and associates in the construction industry, it's likely you're familiar with the impact cost overruns and missed deadlines can have on the bottom line of a project. Even worse, various sub-contractors are often left pointing fingers, making it unclear who's liable for the issues that did occur.

These delays can lead to stalled progress, wasting valuable time and money. Today's modern technologies are solving these problems, saving money, creating more efficient jobsites, and changing the way the industry builds. Professional [construction documentation services](#), now a standard practice for most forward-thinking construction companies, presents an exceptional opportunity for the right kind of businessperson.

Franchise ownership in the construction documentation space is not the best choice for everyone; it requires an owner with a strong background in sales who is willing to put in the hard work to grow the business. Knowing the pros and cons of franchise ownership can help you determine whether you have what it takes to capitalize in this flourishing industry.

**PRO:****BALANCE BETWEEN FRANCHISE CONTROL
AND CORPORATE SUPPORT**

Starting a brand-new business generally puts the owner in a vulnerable position. Success corresponds directly with how quickly you can establish best practices, build a client base, and provide exceptional customer experiences.

The problem is that during this initial period profit margins can be extremely thin, leaving little room for error. Studies show one-third of businesses [fail to survive for more than two years](#), and only half make it to the five-year mark.

One way to give yourself an advantage when starting a new business is to consider franchise ownership; it can eliminate a portion of the risk. Companies that do franchising the right way are able to provide a balance between the independence of a small business and the support of a big business network. Issues like establishing management and operational best practices, building a corporate image, executing national marketing campaigns, research and development, and technology updates are supported at the corporate level.

With corporate assistance on these critical business components and roadblocks, you can focus on the important task of connecting with customers and growing your business. Aside from being able to reach out to the corporate team for guidance, many times fellow franchisees can provide an invaluable resource in problem-solving or sharing resources.

Starting any new business from the ground up typically requires a significant up-front investment from the owner. While there are costs involved with investing in a franchise, they are typically lower than building a business from scratch. Developing processes and innovating new products and services is handled by the corporate team, so you won't need to focus spending on those areas. These open ended activities tend to offer relatively low ROI when compared to sales, and can sap necessary resources from a fledgling operation.

CON:**REQUIRES AN ACTIVE, HARD-WORKING OWNER
WILLING TO MAKE THINGS HAPPEN**

There are few business opportunities that can offer what the construction documentation industry provides: It's a growing field with plenty of opportunity for the right person to make a significant impact, but it's well-established enough to not be a shot in the dark.

It's important for prospective owners to remember that [a construction documentation franchise is not a passive investment](#). It requires an active owner who has the ability to secure new contracts, manage an "on the ground" presence at construction sites, build strong relationships with clients, and provide clients with exceptional documentation services that bring them back for future projects.

Only motivated individuals with great time-management, organizational and business skills will succeed in the industry. Not everyone has these skills or expectations, so it's important to assess what you are looking for in a new business opportunity before you invest in franchise ownership. While the training, access to technology, and business model are provided by the franchisor, building the business is left to you.

**PRO:****TRAINING AND START-UP GUIDANCE ARE PROVIDED**

Two of the biggest issues startups run into are a steep learning curve coupled with a miniscule margin for error. These issues are compounded by the fact that most new businesses must establish all their internal processes while simultaneously building a client base and working towards a profit.

Even the smallest mistakes can prove fatal for a new company, but [investing in a franchise](#) allows you to mitigate the risks of this early trial-and-error stage. Your corporate support teams will provide you with all the training and guidance needed to hit the ground running.

This support includes comprehensive in-house sales and operations training for new franchise owners and the team you will build. It's in both the franchisee and the franchisor's best interest that you are fully trained; without proper training, your business is more likely to fail.

CON:**LESS AUTHORITY TO MAKE MAJOR CHANGES
TO THE COMPANY DIRECTION OR VISION**

A downside to running a franchise is that you will not have as much autonomy as starting your own business from scratch. Franchisors spend years honing their business model to prove it is successful and repeatable and you will have to adapt your own style of business to align with these best practices. Major decisions regarding the direction of the franchise company and its vision are, ultimately, made at the corporate level, although many franchisors request input from the franchisees or a franchise advisory council.

This requires an owner that is willing to listen to others' ideas and follow along with them. In the world of franchising, it isn't as easy for owners to take creative liberties or outside-the-box approaches to the management and strategy of the franchised business. You'll have to run your ideas up the flagpole, so to speak, but this can also have an upside: it can force you to contemplate feedback and evaluate your own position in a way that can be very helpful.

**PRO:****FRANCHISING PROVIDES YOUR COMPANY
WITH AN ESTABLISHED BRAND NAME**

Creating brand awareness is a crucial first step in the early stages of a new business. This can be a difficult process even in the least-crowded markets, and it can take years to achieve success. Unfortunately, many businesses don't have the resources to wait years before clients come to recognize them as trusted partners. The good news is that being a franchise owner can eliminate this step entirely.

Most companies with the ability to offer franchising opportunities have already established their brand name, and name-recognition can be vital for a new business. Instead of focusing resources on building a well-regarded reputation in the industry, you can use the pre-existing goodwill and visibility to drive your sales process.

This advantage carries over to marketing as well. While you will be marketing your franchise on a small scale in the local market, national marketing campaigns will be handled at the corporate level. Once again, this allows franchise owners to focus on the nuts and bolts of their sales and business operations instead of diverting all of their attention and resources towards marketing and advertising.

CONCLUSION

For many entrepreneurs, franchise ownership provides a comfortable balance between four key elements:

- ▶ Support from the franchisor and autonomy in running your market
- ▶ Access to new technological breakthroughs through corporate R&D investments
- ▶ Sales and Operations training needed for your burgeoning business
- ▶ Established brand name and national marketing

The ideal franchise owner is someone willing to get on the ground and work hard to build rapport in the industry, as well as follow the guidelines and practices established by the franchisor.



Learn more about potential franchise opportunities with Multivista.

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