

Hey, have you ever thought about becoming a franchisee within a successful franchise operation? Well, a really solid number of folks in the U.S. have done that and created significant wealth for their families. But a lot of others—not so much! Here’s the deal. While almost everyone says the word *franchise* with an air of familiarity, only a relative few know what it’s essentially about. Still, franchising is and at least can be a very successful model for some folks...and that’s why it’s worthy of us taking a condensed look at it today.

Let’s start the whole idea off by assuming that your grandma’s fried chicken recipe is world-class...at least everybody in your family and her hometown agree! So, you go all-in—leading a fresh new restaurant concept from inception to opening, securing a solid location, and gathering up a whole lot of family money to get it all rolling. And there you have it as opening day approaches—the neon sign proudly says “Grandma Smith’s Cluckers.” And guess what, the crowds you’d planned for actually *stay away in droves* that first day—in fact, just 13 people showed up, and they were all family!

Adding insult to injury, a Chick-fil-A franchise location opens up down the street and, on their very first day, many hundreds of folks are waiting in line for that famous chicken sandwich, those distinctive waffle fries, and that perfect Chick-fil-A dipping sauce. And it didn’t get any better for Grandma’s Smith Cluckers after that....your location *continued* being virtually without customers, while Chick-fil-A was chock full of customers and lots of cars lined-up around the block—morning, noon, and night—every day!

Yeah, seems like even though some folks testify that Grandma Smith’s chicken is the best ever, it just didn’t catch on with the masses...or even the dozens! So, here you sit a couple of years later, with your building boarded up and every family holiday ruined from now on, because those family investors blame you for losing their hard-earned money! And, hey, are they really wrong? But is franchising always “right?”

Here’s the real deal. Yeah, many franchising opportunities are hardly worth the time, effort, and money—you know, like when you give a franchisor a couple thousand dollars to be a franchisee for a dance studio with little to no brand recognition. But other franchises can be really, truly strong opportunities. You see, franchising in America is a significant category of business that really took off after World War Two, and now there are some strong franchisors, especially in the fast-food sector—you know, like McDonald’s, Taco Bell, Chick-fil-A. And the overall franchise landscape can teach us several useful principles to apply everywhere. So, hey, let’s look at five key questions for anyone considering becoming a franchisee.

Does the franchising opportunity pass the “Peter Lynch test?” Have you heard of Peter Lynch? He was a legendary manager at Fidelity Investments who grew its Magellan Fund from \$18 million to \$14 billion in 14 years. Lynch used savvy, common-sense approaches to investing. One of his axioms was this: “invest in what you know.” So, do you know the franchisor well...have you happily experienced the franchisor’s products...and have you done that for a long time? And how about your investing in the franchisee—you! Look at yourself and your past. Are you a self-starter? Are you totally sold out to perseverance, despite all the setbacks and people problems? Do you have the needed gumption and savvy? As Lynch said, invest in what you know...but only if what you know about both the franchisor *and* the franchisee is really good!

A strong franchise relationship is asymmetrical (with the franchisor being the primary driver to success), so how does the franchisor score on specifics? Here’s the thing. The real, sustainable results for a franchise rest first on the shoulders of the franchisors. Take Chick-fil-A—how about their clear wins on key issues? Brand. Product quality. Supply chain reliability. Location selection. Long-term success. Standards. Training. Honesty. ‘Course, the list certainly doesn’t stop there...it’s very long! And each is very important. And, unlike pure entrepreneurship, the lone franchisee is not really in direct control of many core issues!

Is the franchisor “long-term marriage material?” Let’s face it. Being a franchisee is one of the very few truly long-term relationships people ever enter into. In fact, many a franchisee has been through more than one marriage while sticking with being a franchisee for years longer! Look, no one is or should be

entering into a serious franchise agreement with the expectation that it's short-term. So, is the franchisor company itself *long-term marriage material*? For that matter, are *you* long-term marriage material?

How does the "Franchise Disclosure Document" (the FDD) really look? In the U.S., franchisors must legally complete the prescribed format of the extensive FDD requirement. Designed to provide full disclosure, prevent mismatches, and reduce misrepresentations, reading the very comprehensive FDD is essential!

Is the franchisor truly selecting other high-quality franchisees? The comedian Groucho Marx famously said, "I refuse to join any club that would have me as a member." Isn't that funny? But this *is* serious—and is really quite simple: does the franchisor firm have proven success in the selection of its franchisees?

Is the potential franchisee "counting the cost" astutely? Now this can be a bit of a paradox. Between the up-front franchise fee plus the required investment, buying into a well-known, successful U.S. franchise can run into millions of dollars. Plus, there's often a royalty fee for many franchises, say 5% to 7% of revenue each year. *But that's the point!* A franchise is *supposed* to have great value! Here's the obvious paradox: if the franchise agreement requires a relatively low investment, like a franchise teaching dancing, will it bear great fruit as a franchise? Right...franchises are like a lot of real life—you get what you pay for!

Let's shift gears and take a look at the Kingdom of God...which is truly a sort of franchise opportunity—only better! So, let's apply these same six questions of the Kingdom and to us as bought-in believers. But a word of caution is in order here. There are numerous believers who apparently are not very sold out to representing Christ locally and around the world by the word of their testimony. We're not dealing with that deficiency here—rather, we're focused on serious ambassadors who want to represent Christ fully!

First... Does the franchising opportunity pass the "Peter Lynch test?" Remember, one of Lynch's axioms was, "invest in what you know." So, do you know God well...have you happily experienced His grace...have you seen God's faithfulness in action for a good, long while? *Then*, how about that "franchisee" for God—*you!* Are you totally prepared for setbacks and people problems? Do you have the perseverance, the faith to run the race well over the long haul? Sure, you know God...but will you take it to the fullest level?

A strong franchise relationship is asymmetrical (with the franchisor being the primary driver to success), so how does the franchisor score on specifics? This is big. Yes, we're grateful that God is *the* driver to success through Christ's finished work of the Cross! Case closed. But God does not play theological games: when He commands us to fulfill the Great Commission, we are a vital part of His plan for the redemption of whosoever hears and believes! Our witness is *not* pointless...it's essential to the growth of His Kingdom!

Is the franchisor "long-term marriage material?" Well, duh, the Bible reveals us to be the Bride of Christ. And He is the perfect Bridegroom! By definition, Jesus is the very epitome of long-term marriage material!

How does the "Franchise Disclosure Document" (the FDD) really look? The Bible is the quintessential FDD for humanity. Yes, the Bible comprehensively discloses God's magnificent love for all humanity—and lays out God's structure and provision for how we can be empowered to be co-laborers and co-owners!

Is the franchisor truly selecting other high-quality franchisees? To be sure, every person can choose Christ—and we all have human weakness. That's why there are clear words in the Bible about the role of the Holy Spirit: He is our helper, teacher, empowerer—it is He who qualifies us as high-quality "franchisees!"

Is the potential franchisee "counting the cost" astutely? For sure, God's salvific grace is stunningly free! But still, Jesus counseled to "count the cost" of being His disciples (Luke 14). And the benefits of such true discipleship will ultimately reveal rewards beyond what we could possibly imagine (1 Corinthians 3:9-16)! That's classic cost-benefit analysis: short-term costs with eternal benefits for being a part of God's plans!

Look, few of us are in the financial position to buy in to an amazing franchise with Chick-fil-A. But think of this! *Every person* who's serious about representing Christ and Him crucified can receive rewards that eclipse every other arrangement made this side of heaven. God simply will not be surpassed! ...Surprised?

A&A: Application & Action

1. Have you ever been intrigued by the idea of being a franchisee for a very successful franchising company, perhaps like Chick-fil-A? What did you conclude? If yes, share about your franchisee experience. If not, what factors caused you to abandon the idea (for example, did you eliminate the opportunity because of the franchisor's profile or your "fit" as a franchisee)? Be specific.
2. Are you pressing in on your walk with Christ in order to fulfill Jesus's command to you to "go forth and make disciples" of all nations (Matthew 28:19-20)? If so, describe your journey and current status. If not, describe your spiritual contentment in *not* doing so. Be specific.
3. Is your local church pressing in to fulfill Jesus's command to Christians to "go forth and make disciples" of all nations (Matthew 28:19-20)? If so, what's your church's current status? If not, describe your church's strategic spiritual contentment in *not* doing so. Be specific.