

# Back ground

AURM provides professional franchise management services that perform several franchise management functions on behalf of franchise owners. Additionally AURM aids in identifying staff and ensure that the staff operating within each franchise are well trained and of high quality.

Over the past two years AURM (and its predecessor) developed a strong working relationship with two specific Franchisors for the emerging consumer market: i.e OBC Meat and Chicken, and DIY Depot. (Franchisors has a culture of entrepreneurship)

Both these Franchisors have Field Service Consultants. As with any Franchisor, this service is geared toward experienced Franchisees. AURM bridges that cap and focus on the novus business owner a smaller number of Franchisees per Field Service Consultant.

The practical involvement of AURM in the business of the franchisee involves the following:

- Matching the right type of Entrepreneur with either a DIY Depot or OBC Meat and Chicken
- Securing well positioned sites for optimal business success.
- Program management service to co-ordinate the process from purchase of franchise rights to store opening.
- Marketing plan: get to know your consumers and what their needs are ( MATCHING CONSUMER DEMAND)
- Making sure that the basic principles of good business governance is adhered to.
- Identifying staff with entrepreneurial skills and aiding the business owner to branch out.
- Analyzing business performance against the strategic business plan. Identifying development areas and implementing corrective measures.
- Keeping an eye on the wider business/ entrepreneurial environment to make sure that businesses grow optimally with changing retail or consumer trends.

# AURM Philosophy:

"It is our believe that growth in the "sme" market is of vital importance for the growth of the South African economy"

"Job creation is not just the responsibility of formal Government, but also the responsibility of the business sector"

"Every successful entrepreneur, creates jobs and feeds multiple families"

#### "EMPLOYMENT = DIGNITY"

"The emerging market is where the biggest opportunity lies for sme development"

"Franchises focussing on the emerging consumer, is an ideal opportunity"

"Continual support and strategic planning is crucial to the long term sustainability of sme's"

"Successful businesses = economic empowerment"

# AURM Functions summery:

	1.	Financial Planning
Strategic planning	2.	Business planning (Action plan) for every Franchise type
	3.	Competitor awareness program
	4.	Finding new franchises, ideally suited for the African Urban market
	5.	Relationship building with Franchisors
	6.	Price and Product negotiations with suppliers
	7.	Controlling shrinkage
	8.	Professional alliances: S A Council of Shopping Centre's ect.
	1.	Appointment of Field Service Consultants
Operational	2.	Appointment of Franchise staff
Involvement:	3.	Regular Site visits
	4.	Mentoring of Managers
	5.	Staff training
	6.	Promotions
	7.	Stock control
	8.	Quality control
	9.	
	1.	HR Functions
Businesses	2.	Financial management:
Management:	3.	IT Systems
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# AURM Functions comprehensive:

## Strategic planning

- 1. Financial Planning:
  - Revenue targets for AURM as a business
  - Growing number of franchises under management and
  - Maximizing turnover in every franchise
- 2. Business planning (Action plan) for every

#### Franchise type:

- Business profile
- Strategic plan
- Marketing plan
- Operating plan
- Personnel plan
- 3. Competitor awareness program:
  - Ensuring that franchises under management has the competitive edge
  - Price comparisons with closest competitors
  - Adapting business culture to remain competitive
- 4. Finding new franchises ideally suited for the African Urban Market:
  - Watching consumer trends and serving consumer demands
- 5. Relationship building with Franchisors:
  - Share best practice ideas
- 6. Price and product negations with suppliers
- 7. Controlling shrinkage:
  - Joining forums to be informed of organized shoplifting trends
  - Policy implementation to minimize shrinkage
  - Manage by "exception"
- 8. Professional alliances: S A Council of Shopping Centre's

## Operational Involvement:

- 1. Appointment of experienced Field Service Consultants
- 2. Appointment of Franchise staff:
  - Managers and employees
- 3. Regular Site visits:
  - a. Preparation:
    - Analyze business
    - · Identify positive and negative issues
    - Find solutions
    - Feedback re previous visit and pertaining issues
  - b. "roll up sleeves, get involved in the issues of the particular business"
  - c. Assertive and clear instructions
- 4. Mentoring of Managers
- 5. Staff (Field Service Consultants, Store Managers and Store Employees) training:
  - Franchise Directions training
  - In house training
- 6. Promotional incentives to promote franchise brands in co-operation with franchisors
- 7. Stock control
- 8. Quality control
- 9. Developing a Staff Incentive scheme
- 10. Project management re the opening of new outlets

## Businesses Management

### 1.HR Functions:

- Employment contracts
- Systems to monitor leave and absenteeism
- Management of a Staff Incentive scheme
- Disciplinary actions
- CCMA representation

#### 2.Financial management:

- Payment of suppliers
- Payment of Royalties to Franchisors
- Staff remuneration
- Analysis of financial ratios
- Developing solutions to improve specific store operations/ sales figures
- Payment of set up costs to Franchisors

#### 3.IT Systems

- POS system
- Surveillance and security
- MDA property management system (Rental contracts)