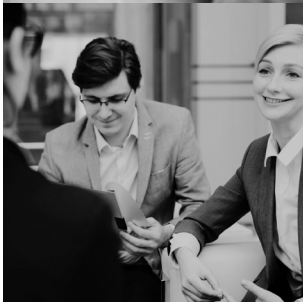


Franchisee Onboarding Checklist

Setting clear expectations is the name of the game for a strong franchisee onboarding program. This checklist is a roadmap to create a franchisee onboarding program that sets the tone for a successful, thriving, satisfied franchisee as they begin their journey into business ownership with your brand.

As you review this checklist and apply our recommendations to your franchisee onboarding process, pay attention to how each phase defines the roles and responsibilities of the franchisee and the franchisor. Knowing who is responsible for each part of the process is crucial to clear communication, realistic expectations, and happy franchisees.



**Franchise
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Phase I: Pre-Onboarding

Welcome Materials, Agreement, and FDD

- Welcome Packet Sent:** Include a franchise overview, key contacts, and timeline expectations for the onboarding process.
- Franchise Agreement Confirmed:** Ensure all signatures, initials, and addendum items are complete in the Franchise Agreement.
- Franchise Disclosure Document (FDD):** This will need a review and confirmation. Document the franchisee's acknowledgment of all 23 items.
- Business Plan:** Request that the franchisee submit and document that it has been reviewed to ensure expectations are realistic.

Legal and Financial Foundation

- Business Licenses and Permits:** Provide a location-specific requirements checklist for what the franchisee will need to obtain.
- Communicate Insurance Requirements:** Communicate the general liability, property insurance, and workers' comp minimums.
- Financial Relationships and Compliance:** Communicate tax ID numbers, financial reporting requirements, royalty payment setup, payroll systems, and required bank accounts along with clear roles and responsibilities for the franchisee and franchisor.

Technology and Initial Training Access

- Provide Access to Tech:** These could be the POS, inventory management, training portal, education hub, CRM, or other tools necessary to the business.
- Initial Training Resources:** Share the operations manual, video modules, assessment tools, and any other initial training resources.
- Establish Communication Channels:** Give access to Slack, Microsoft Teams, email, or any other brand communication tools.

Assign Designated Support Team

- Assign Dedicated Onboarding Support:** This is the franchisee's designated contact for their first 90 days – make that clear in your communication.
- Review Implementation Timeline:** This should cover expectations, milestone dates, critical items, contingency plans, and how to find support.
- Review Business and Vision Plans:** This is the time for the support team and development rep to review the franchisee's business plan, vision plan, and any other required documents completed during the recruitment process.

Phase II: Training

Operating the Business

- Operations Manual:** Section-by-section operations manual review with competency testing and an understanding of core operations.
- Standard Operating Procedures (SOPs):** Theoretical knowledge and hands-on demonstration and practice of core processes.
- Quality Control Standards Training:** Review brand standards, customer experience protocols, and the WHY behind quality control.
- Inventory Management:** Ordering, receiving, and tracking inventory. Waste control procedures.

Product and Service Excellence

- Product/Service Training:** Features, benefits, pricing, upselling techniques, quality assurance, and common questions.
- Supplier Relationships:** Required vs. approved vendors, ordering processes, quality specifications, and order quantity standards.
- Customer Service:** Handling complaints, service standards, franchisee expectations, and loyalty programs.

Sales and Marketing Foundations

- Sales Process:** Lead generation, conversion techniques, closing strategies, value-adds, market differentiation, and the role of the franchisee.
- Marketing Roles:** Responsibilities of the franchisee vs. franchisor in local marketing.
- Local Marketing Guide and Calendar:** Seasonal campaigns, promotional strategies, co-op advertising, budget allocation, and tracking ROI.
- Customer Relationship Management (CRM):** Database management, follow-up sequences, and retention strategies.



Technology and Operating Systems

- POS:** Transaction processing, reporting, and troubleshooting.
- Inventory Management:** Real-time tracking, automated reordering, and variance reporting.
- Financial Reporting:** Daily/weekly/monthly reports, KPI dashboards, franchisor reporting requirements vs franchisee reporting requirements.
- Communication Tools:** Internal messaging, customer communication, and support ticket systems.

Compliance and Risk Management

- Health and Safety Protocols:** OSHA requirements, local health codes, and incident reporting.
- HR Compliance:** Employment law, discrimination prevention, wage and hour regulations—all are incredibly valuable for your franchisee to know.
- Risk Management:** Insurance claims, emergency protocols, and business continuity planning.
- Financial Controls:** Cash handling, deposit procedures, expense management, and audit preparation.
- AI Policy:** Approved AI tools, data privacy, and intellectual property guidelines to maintain brand consistency and mitigate risks.



Phase III: Location Setup

Site Selection & Approval

- Site Criteria and Approval:** Review demographics, traffic patterns, competition analysis, and lease terms. Site approval comes when the location meets brand standards and market penetration goals.
- Lease Negotiation Support:** Support with terms review, approval of the lease agreement, and securing the lease.
- Permits and Zoning Permits:** Building permits, occupancy certificates, and signage approvals.

Design & Construction Management

- Approve Layout Plans:** Space optimization, brand compliance, and ADA requirements all finalized.
- Contractor Network Introductions:** Many systems have pre-vetted, franchise-experienced contractors they introduce to their franchisees.
- Construction Management:** Progress reviews, milestone tracking, and contingency planning throughout the build-out process.
- Brand Standards Compliance:** Franchisors are involved with signage, color schemes, fixture specifications, and final inspection.

Equipment & Supply Chain

- Equipment Specifications:** Complete the equipment list, warranties, and installation schedules.
- Establish Supplier Accounts:** Credit applications, delivery schedules, and payment terms negotiated.
- Initial Inventory Planning:** Opening stock levels, seasonal adjustments, and storage optimization.
- Technology Installation:** POS systems, security systems, network infrastructure, and testing protocols.



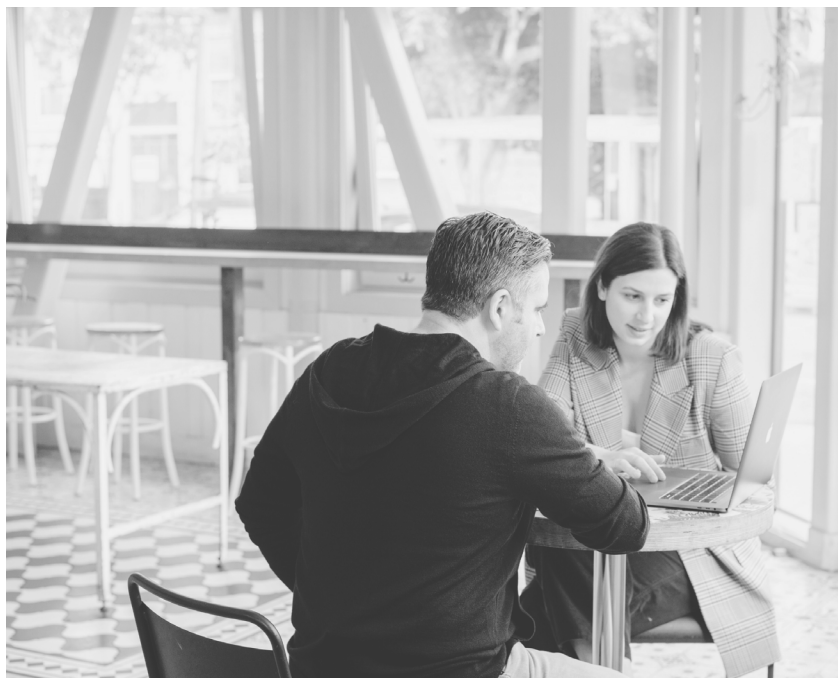
Phase IV: Staff Recruitment

Hiring Strategy and Training

- ❑ **Staffing Plan and Job Description Templates:** List of the positions needed, experience requirements, compensation structure, brand-compliant job posting templates, legal compliance, and screening criteria.
- ❑ **Recruitment Channels:** Share resources and guidelines for local job boards, referral programs, and community partnership ideas for hiring.
- ❑ **Interview Training:** Legal guidelines, cultural fit assessment, reference checking procedures, and clear expectations for franchisee and franchisor.

Employee Training Materials

- ❑ **Employee Handbook:** Local laws, company policies, brand standards, sample templates franchisees can (but are not required to) use.
- ❑ **Training Curriculum:** Role-specific modules, certification requirements, and ongoing development plans for employees.
- ❑ **Performance Management:** Review templates, goal-setting frameworks, and recognition programs for team members.
- ❑ **Scheduling and Payroll:** Scheduling and payroll software training, approved third-party HR benefits/payroll providers, labor cost management, and compliance tracking.



Phase V: Marketing Foundation & Grand Opening

Pre-Launch Marketing Foundation

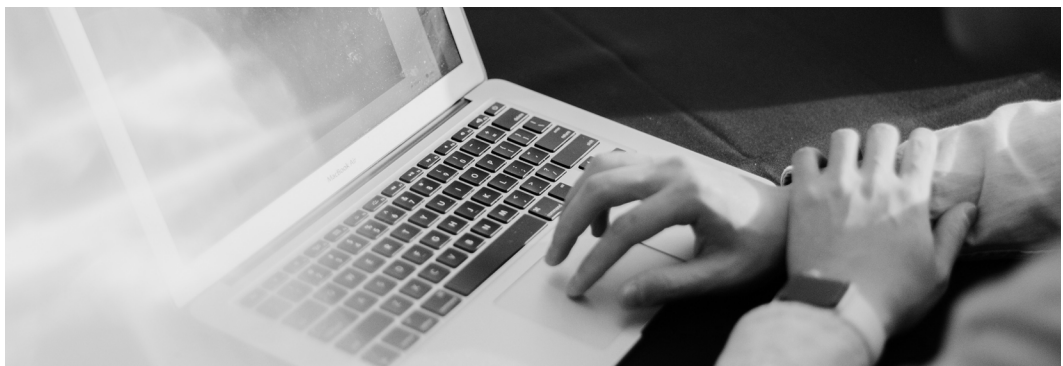
- Share the Brand Identity Package:** Logos, templates, brand guidelines, and approved messaging.
- Customize Local Marketing Plan:** Target audience analysis, competitive positioning, and budget allocation.
- Share Marketing Materials:** Business cards, flyers, brochures with local contact information, signage, and other marketing materials.
- Establish Digital Presence:** Website setup, Google My Business setup, and local directory listings.

Social Media & Digital Marketing

- Social Media:** Platform setup, content calendar, and brand voice guidelines.
- Content Creation Training:** Photography guidelines, post scheduling, and engagement strategies.
- Online Review Management:** Response templates, reputation monitoring, and improvement strategies.
- Email Marketing:** Customer database development, automated sequences, and campaign templates.

Grand Opening Campaign

- Soft Opening Strategy:** Limited menu/services, staff training opportunity, feedback collection, specialty opening events, and influencer-only showcase.
- Grand Opening Planning:** Timeline, promotions, community partnerships, media outreach, PR opportunities, social media integration, and goals.
- Customer Acquisition Campaigns:** Introductory offers, referral programs, and loyalty program launch.
- Performance Tracking:** Marketing ROI measurement, customer acquisition costs, and lifetime value calculations.



Phase VI: Ongoing Support

Regular Performance Reviews

- Weekly Calls for First 1-3 Months:** Operations review, challenge identification, immediate support needs; review goals and performance, marketing effectiveness, and spotting additional opportunities for training.
- Monthly Calls After First 1-3 Months:** Operations review, challenge identification, immediate support needs; review goals and performance, marketing effectiveness, and spotting additional development opportunities.
- Quarterly Strategic Planning:** Goal setting, market analysis, growth planning, and system improvements.
- Annual Performance Assessment:** Comprehensive review, renewal discussions, long-term planning, and succession planning (if applicable).

Monitor Regular Operations

- Establish Field Visits:** Monthly coaching visits first quarter, quarterly thereafter, and additional visits as needed.
- Mystery Shopping Program:** Customer experience evaluation, service quality assessment, and improvement recommendations.
- Compliance Audits:** Health and safety, legal requirements, brand standards, and corrective action planning.

Network Building & Peer Support

- Franchisee Advisory Council (FAC) Participation:** An opportunity to offer system-wide input, best practice sharing, and policy development input.
- Regional Meetups:** Quarterly gatherings, peer learning, relationship building, and system-specific problem-solving.
- Mentorship Program:** Ongoing mentor relationship, transition to peer mentoring, and success story sharing.

Continuous Improvement & Development

- Skills Development Planning:** Individual growth plans, advanced training opportunities, peer groups, and leadership development.
- Technology Updates and Training:** System upgrades, new feature training, and efficiency optimization.
- Market Expansion:** Additional territory discussions, multi-unit development, and strategic growth planning.

Phase VII: Measuring Onboarding Success

Set Key Performance Indicators (KPIs)

- ❑ **Time to Profitability:** For example, have the target to break even within 6 months and have positive cash flow within 12 months.
- ❑ **Revenue Milestones:** Set 30/60/90-day targets, year-one projections, and create a plan for continued growth.
- ❑ **Customer Acquisition Metrics:** New customer count, retention rates, and average transaction values.
- ❑ **Operational Efficiency Measures:** Labor costs, waste percentages, inventory turnover, and productivity ratios.

Feedback Collection & Success Metrics

- ❑ **FBR Franchisee Satisfaction Survey:** Annual satisfaction surveys to gather feedback, benchmark progress, and understand the overall franchisee experience.
- ❑ **FBR Pulse Survey:** Short, targeted survey to new franchisees to understand onboarding effectiveness, resource adequacy, and overall satisfaction with the initial training process.
- ❑ **Franchisee Retention Rates:** Track franchisee retention, conduct exit interviews if applicable, and understand succession planning.
- ❑ **System-wide Performance Comparison:** Individual vs. network averages, best practice identification, training effectiveness, and practical performance.
- ❑ **ROI on Onboarding Investment:** Track the cost per successful franchisee, revenue impact, and long-term value creation.



About Franchise Business Review

Franchise Business Review (FBR) is a leading independent market research firm that provides franchise organizations with benchmarking research and best practices to improve franchisee and employee satisfaction and engagement. Since 2005, FBR has been trusted by more than 1,300 top-performing franchise companies to equip them with the people-centric data, insights, and tools they need for long-term growth and success in the franchise industry.

Learn more about FBR's franchisee and employee satisfaction solutions at GoFBR.com

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Candidate



Customer Satisfaction



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