



# Midnight Musings from the Kitchen Table

The changing role of the concept founder in a franchise business

By Ruthie Burd

Who knew that a chance idea would turn into a distinctly Canadian solution to the absence of cafeterias in elementary schools? I certainly did not at the time I created the Lunch Lady, but what has been even more surprising to me is the process of transforming a creative concept into a franchised business.

Some people may think I single-handedly created the Lunch Lady Group. I am certainly an integral part of my brand and as passionate about it as ever but a franchise system must be more than an idea. A concept without a foundation will never evolve into a viable business opportunity that can be shared with others. My vision and belief in the Lunch Lady concept of changing the food habits of a generation of school children has not diminished over the years. But the way in which the Lunch Lady Group manages its day-to-day operations certainly has. Running a head office and supporting a growing base of franchise partners requires a very specific skill-set. It is not about ideas, it is all about details. Someone has to be monitoring, organizing and controlling the growth of the organization. In the Lunch Lady's case, that someone must have a longer attention span than I do. Every organization needs someone that loves the organizational aspect of the business.

Find that special someone to hire, or partner with, who gets as much satisfaction from creating order, implementing systems, and working with numbers as you do from promoting the brand.

The Lunch Lady and the Lunch Lady Group then are two distinct entities. One is the concept and the other is the business model that supports it – like the “yin and yang” of franchising. One is about forward thinking and new ideas to keep the concept fresh and the other is about policies and processes that determine how the business is currently operated

now and the planning required to realizing the changes required to grow and achieve continued success. You can't have one without the other and it is unlikely that any one individual will have the necessary skills – or the stamina – to do it all. At the Lunch Lady, I am supported by my partner of 10 years, Jim Essex, a chartered accountant who measures success by the number of careers and jobs the Lunch Lady has created. I am also supported by a more recent partner, Stan Newman, the former president of Colour Your World, who loves the challenge of keeping a business on track to reach its goals and thereby generating profits for all its members.

For those of you who are in the early years of franchising your concept, the following are some lessons I have learned during my adventures with the Lunch Lady Group:

**Concept creators can be their own worst enemies but this can sometimes drive the business forward.** I am seldom satisfied with my own performance and rarely feel I am accomplishing enough. Apparently, I am not alone in this.

The bigger a company becomes, the more complex the process is. There are always decisions to make and there is a tremendous amount of pressure to make the right one each time. When there is just you and your concept, your decisions can be disastrous. But you are the prime “beneficiary” of your own mistakes. As you get larger, others are now counting on you for their livelihood and the pressure builds.

Not every decision you make will be a good one and you need to be prepared to manage the consequences of a poor choice. However, it is this sense of accountability to your brand and your people that can act as a catalyst to creative problem solving and further innovation.

**There is a business cycle whether or not you acknowledge it.** More importantly, you cannot create the business cycle and you do not control it. What you sell does not matter as much as the type of business you are using to sell your product or service. In our case we are selling through franchising, which has its own business cycle.

Acknowledge that the concept may be yours but that the framework in which you operate is not. Just as I want my franchise partners to follow the Lunch Lady blueprint, there is a blueprint for franchise development and the evolution of a franchise business. Learn from your peers. Seek expertise.

Your business is not immune to those mysterious laws of Growth and Decline and Supply and Demand. You cannot stand still. Just like happiness, that nice comfortable stable spot that we are all seeking is fleeting.

**Forget about everybody liking you.** Running a franchise system is not at all like operating the original concept. Being good at one does not prepare you for the other. Instead of pleasing yourself, you are now managing the expectations of others who are motivated by self interest first and the brand second. There is nothing wrong with this because you want them to promote their own business (their franchise), which is part of your brand. However, there are times when your “rules” and their “needs” will clash and you will need to put the well-being of your brand first. Rules must be enforced fairly and consistently and consequences meted out consistently and fairly. Otherwise,

your organization can start to unravel.

You have to make some pretty tough decisions. I now realize what my Dad meant when he told me, “Not everyone will like you. Accept it with grace.” Life is not a popularity contest. You must always be thinking of what is in the best interests of your brand and the majority of your franchise partners. Every time you make a decision, even if it is the best possible decision given the circumstances, somebody somewhere is not going to be happy.

**Accept your own limitations and acknowledge the contributions of others.** You can't do it all. No one is good at everything. Learn to delegate to others and then let them do their job. Build a team of people who have their own ideas and listen to what they have to say.

Criticism is usually more useful than praise. I have been lucky to find partners and team members who have skills that complement my own. It takes more than a good idea to grow a business past a certain point. Don't be the entrepreneur who can't let go and destroys their own concept. Give others the opportunity to contribute and be open to ideas from other sources, including:

- Your business partners
- Your immediate support staff
- Franchise partners and their employees
- Customers, both current and those who no longer use your services
- The competition – What are they doing and what can be learned from it?
- Books, television, Internet, magazines and tradeshows
- Peers in the franchising industry
- Mentors
- Friends and family

**Own your bad ideas.** In an environment where others are nipping at your heels as more competitors enter the market, you need to try things and be innovative to grow your business. You will most likely make some colossal mistakes but how you handle the “not so good” idea is as important – if not more so – than the ones that work.

**Respect your financial balance sheet.** Concept founders are often more driven by passion for an idea than by profitability. Many wonderful business ideas fail or are taken to market by others because no one is managing the details necessary to make the idea a viable

## The Lunch Lady's Advice to New Franchisors

1. Concept creators can be their own worst enemies but their angst drives the business forward.
2. There is a business cycle whether you acknowledge it or not. You did not invent it and you do not control it!
3. Forget about everybody liking you
4. Accept your own limitations and acknowledge the contributions of others
5. Own your bad ideas
6. Respect your financial balance sheet
7. Consider your personal and spiritual balance sheet
8. “Every business needs a cheerleader. In your company it is YOU!”

business. Find the skills you need to make your dream a success. It does not matter how quickly you are growing or how many locations you have. At the end of the day, your efforts need to be reflected at the bottom of the financial balance sheet. Remember, your success will benefit everyone who is a part of your company. As my Dad used to say, “Money works best when everybody has some.”

That's not to say that there are other ways to evaluate the success of your company. In addition to your financial balance sheet, be sure to consider your personal balance sheet by asking yourself these questions:

- Does your business directly or indirectly make a positive difference in the lives of others?
- Do you feel genuine and able to express your own personality?
- Are you thoughtful? After all, it's the little kindnesses that count.
- Do you measure your words? Once they are out of your mouth, they are public property.
- Do you take responsibility for your successes and your failures?
- Do you remember to say thank you?
- Do you make time for quiet reflection?
- Do you feel a sense of purpose?
- Do you make time for family and friends?

I'm not exactly sure what The Lunch Lady will look like in five years or what my role will be as we grow and evolve. But provided I take my own good advice, which is easier to dish out than to follow, I believe that I will be exactly where I am meant to be in the scheme of things.

Mac Voisin of M&M Meat Shops gave me this advice about the role of a company's founder, “Every business needs a cheerleader. In your company, it is you.” It's my favourite piece of advice for franchisors and I am certain I will still be our brand's biggest cheerleader and that our success will benefit everyone who is a part of our company. 🍷

### About the Author:

*The Lunch Lady is Canada's largest and most trusted elementary school hot lunch provider. Ruthie Burd founded the Lunch Lady Group in 1993 to help make lunch time easier for busy parents. Today, the company's dedicated franchise partners serve nearly 800 elementary schools in 5 provinces. You can learn more about the Lunch Lady and what she does by visiting [www.thelunchlady.ca](http://www.thelunchlady.ca).*



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