

Total Quality Franchising

3 Ingredients

1. Engaged franchise owners/ franchise teams
2. Engaged customers
3. Continuous improvement

Definition: “Engagement”

An environment of collaboration where each person is clear about his/her role and has the tools and support (s)he needs to do their job and constantly seeks to improve the quality of the customer experience.

Why is engagement so important?

Over 30 years the Gallup organization has analyzed 263 research studies across 192 organizations in 49 industries. Within each study, they statistically calculated the business/work unit level relationship between employee engagement and performance outcomes. It total, 49,928 business units were studied including 1,290,941 employees. Nine business outcomes were evaluated vis-à-vis engagement:

1. Customer loyalty/ engagement
2. Profitability
3. Productivity
4. Turnover
5. Worker injuries
6. Shrinkage
7. Absenteeism
8. Patient safety
9. Quality

Results of an Actively Engaged Workplace

The correlation between active engagement and composite performance is 0.42. Business units scoring in the top half of engagement nearly double their odds of success compared with those in the bottom half. Those in the 99th percentile have four times the success rate as those in the 1st percentile.

Median Differences Between Top Quartile and Bottom Quartile Units

Customer Loyalty/Engagement	10%
Profitability	22%
Productivity	21%
Turnover	25%
Employee Safety Incidents	48%
Shrinkage	28%
Absenteeism	37%
Patient Safety Incidents	41%
Quality	41%

Conclusion

Gallup concluded the relationship between engagement and performance at the unit level is substantial and highly generalizable across organizations. Everything begins with employee engagement at the point of service/solution delivery.

In the franchise organization, the franchisee must be fully engaged if (s)he is going to create the healthy workplace that fully engages caregivers and nurses to deliver an extraordinary customer experience and grows the brand.