

## MICRO-LEARNING SUPPORT GUIDE

### **How to Use This Guide**

This guide supports Micro-Learning Lessons 38–40 and is designed to be used alongside the corresponding video lessons. Together, these lessons walk candidates through financial readiness, business plan development, validation strategy, and Discovery Day preparation within the franchise evaluation process.

Use this guide to reinforce key concepts presented in each video, slow down the learning process, and organize information in a practical, easy-to-reference format. Each section outlines what the lesson covers, why it matters, and how it applies to real-world franchise decision-making.

The reflection prompts are intended to help you think critically about your financial assumptions, preparation level, and overall readiness prior to franchise award. Revisit this guide as you progress through the lessons to build clarity, confidence, and consistency in your evaluation and decision-making process.

### **LESSON 38: BUSINESS PLAN TEMPLATE & FINANCIAL READINESS**

#### **What this covers**

This lesson explains why most franchisors require a business plan prior to awarding a franchise. The business plan is often part of the formal approval process and helps determine whether a candidate is financially prepared and operationally ready.

Learners are introduced to what the business plan template is and what it is not. The template is not pre-filled and does not guarantee results. It is a structured framework built

on the candidate's own assumptions, based on the FDD, franchisor guidance, and early research.

The lesson also explains how validation strengthens the plan by confirming or refining assumptions around ramp-up timelines, labor, expenses, and owner involvement.

### **Key Takeaways**

- **The business plan is part of the award decision**

It demonstrates readiness, preparation, and financial understanding not perfection.

- **The template is a thinking tool**

Franchisors provide the framework, but candidates must build the assumptions.

- **You can begin before validation**

Initial drafts should be built using Item 7 costs, ongoing fees, Item 19 (if available), and franchisor guidance.

- **Validation strengthens assumptions**

Validation confirms and refines your numbers it does not replace the work.

- **Preparation builds confidence**

A well-prepared plan supports better lender conversations, franchisor confidence, and personal clarity.

### **Why this matters**

Many candidates underestimate how important financial preparation is in the award process. Franchisors are evaluating whether a candidate understands startup costs, working capital needs, ramp-up timelines, and operational realities.

A thoughtful business plan signals discipline and seriousness. It shows that the candidate understands the model and has evaluated risk realistically. This protects both the candidate and the franchise system.

### **Reflection Prompts**

- Are my financial assumptions grounded in the FDD or based on guesswork?
- Have I clearly outlined startup costs and working capital needs?
- Do I understand my expected ramp-up timeline?
- Would I feel confident submitting this plan to a lender?
- What assumptions need validation before final submission?

### **Next Steps**

Refine your draft business plan using FDD data and franchisor guidance. Then use franchisee validation to confirm assumptions before submitting it for award consideration.

Proceed to Lesson 39 to understand how to validate effectively and strengthen your financial assumptions.

## LESSON 39: VALIDATION: WHO TO CALL & WHAT TO ASK

### What this covers

This lesson explains the purpose of franchise validation and how it supports informed decision-making. Validation is not a sales pitch and not a single opinion it is a pattern-finding exercise.

Learners are guided on who to call, including new franchisees, established franchisees, and former franchisees (when available), and how each group offers a different perspective.

The lesson emphasizes tying validation questions directly to the assumptions made in the business plan.

### Key Takeaways

- **Validation is about patterns**

One strong story does not outweigh consistent themes.

- **Call different types of franchisees**

New, experienced, and former franchisees each provide unique insights.

- **Validate assumptions from your business plan**

Focus on ramp-up timelines, labor expectations, owner involvement, and ongoing costs.

- **Avoid emotional decision-making**

Excitement or fear should not override repeated data points.

- **Quality questions improve quality decisions**

Good validation begins with thoughtful preparation.

## **Why this matters**

Validation is one of the most important parts of franchise evaluation. Without structured validation, candidates may rely on marketing materials or isolated opinions.

By connecting validation directly to financial and operational assumptions, candidates strengthen their business plan and reduce uncertainty. This process increases confidence and reduces surprises after opening.

## **Reflection Prompts**

- Am I looking for reassurance or real data?
- Have I spoken with both new and experienced franchisees?
- What themes keep repeating across conversations?
- Did validation confirm or challenge my financial assumptions?
- What adjustments should I make to my plan?

## **Next Steps**

Refine your business plan based on validation insights. Identify patterns and adjust assumptions where needed.

Proceed to Lesson 40 to prepare for Discovery Day and understand how franchisors evaluate candidates during the final stages of the award process.

## LESSON 40: DISCOVERY DAY: MUTUAL EVALUATION

### What this covers

This lesson explains the true purpose of Discovery Day. It is not a sales event it is a two-way evaluation designed to confirm alignment between the candidate and the franchisor.

Learners explore how preparation shows up during Discovery Day, including the quality of the business plan, depth of validation questions, and overall understanding of the franchise model.

The lesson also outlines what franchisors are evaluating, including coachability, financial readiness, cultural fit, and long-term mindset.

### Key Takeaways

- **Discovery Day is mutual evaluation**

Both sides are assessing fit and expectations.

- **Preparation is visible**

Strong business plans and thoughtful questions signal readiness.

- **Franchisors evaluate mindset**

Coachability, long-term thinking, and financial discipline matter.

- **Watch for red flags**

Avoided questions, pressure to rush decisions, or misaligned expectations deserve attention.

- **Confirmation — not persuasion**

Discovery Day should reinforce clarity, not create pressure.

## **Why this matters**

Discovery Day is often the final step before award. Candidates who approach it as a confirmation stage rather than a sales presentation make stronger, more disciplined decisions.

Understanding that franchisors are evaluating readiness helps candidates show up prepared, professional, and confident. It also encourages candidates to assess cultural alignment and leadership expectations carefully before committing.

## **Reflection Prompts**

- Do I feel alignment with the franchisor's leadership and culture?
- Were my questions answered clearly and directly?
- Do expectations feel realistic and achievable?
- Am I feeling confident — or pressured?
- Is this opportunity aligned with my long-term goals?

## **Next Steps**

After Discovery Day, review your business plan, validation notes, and overall impressions before making a final decision. Confirm that financial readiness, operational expectations, and cultural fit align with your goals.

## LESSON 41: DISCOVERY DAY: MUTUAL FIT, NOT A SALES PITCH

### What this covers

This lesson clarifies the true purpose of Discovery Day. It is not a sales presentation it is a mutual evaluation between the candidate and the franchise brand.

The lesson explains what franchisors are observing during Discovery Day, including professionalism, preparation, cultural alignment, and understanding of the operator role. It also outlines what candidates should be evaluating, such as leadership access, support systems, operational expectations, and long-term fit.

### Key Takeaways

- **Discovery Day confirms mutual fit**

It is about alignment — not persuasion.

- **Franchisors evaluate readiness**

Preparation, professionalism, and understanding of the role matter.

- **Candidates must evaluate leadership**

Assess accessibility, clarity of expectations, and support structure.

- **Curiosity strengthens decisions**

Thoughtful questions reflect maturity and preparation.

- **Honesty builds trust**

Authentic conversations create stronger long-term partnerships.

## **Why this matters**

Discovery Day often precedes internal award review. The impressions formed during this stage influence whether the franchisor believes you are ready to represent the brand.

Approaching Discovery Day as a two-way decision protects you from emotional momentum and encourages disciplined evaluation.

## **Reflection Prompts**

- Do I clearly understand the operator role?
- Did I feel alignment with leadership and culture?
- Were my questions answered transparently?
- Did I present myself as prepared and professional?
- Am I moving forward because of clarity — or excitement alone?

## **Next Steps**

After Discovery Day, reflect before expecting an award decision. Review your validation notes, financial assumptions, and cultural impressions carefully.

Proceed to Lesson 42 to understand how franchisors internally review candidates before issuing an award.

## LESSON 42: AWARD REVIEW: INTERNAL FRANCHISE APPROVAL

### What this covers

This lesson explains what happens after Discovery Day. Before issuing an award, franchisors conduct an internal review involving multiple departments.

Development, operations, finance, and leadership evaluate your readiness, financial stability, validation quality, and long-term fit within the system.

### Key Takeaways

- **Awards are not automatic**

Discovery Day does not guarantee approval.

- **Multiple departments evaluate readiness**

Approval is a structured internal decision.

- **Preparation affects timing**

Incomplete financials or unclear ownership can delay award.

- **Validation quality matters**

Weak research signals risk.

- **Awards are earned**

Thorough preparation strengthens confidence on both sides.

## **Why this matters**

Understanding internal review helps manage expectations. Candidates sometimes assume speed equals approval. In reality, careful evaluation protects both the brand and the future franchisee.

Preparation and transparency reduce delays and strengthen approval confidence.

## **Reflection Prompts**

- Is my ownership structure clearly defined?
- Are my financial documents complete and realistic?
- Did I validate thoroughly?
- Have I demonstrated long-term commitment?
- Am I prepared if the answer is “not yet”?

## **Next Steps**

Ensure all requested documentation is complete and accurate. Maintain communication with the development team while awaiting the award decision.

Proceed to Lesson 43 to examine financial readiness more deeply.

## LESSON 43: FINANCIAL READINESS BEYOND NET WORTH

### What this covers

This lesson expands financial readiness beyond net worth and asset requirements. Franchisors assess sustainability, liquidity, contingency planning, debt comfort, and working capital runway.

Candidates are reminded that conservative projections signal discipline and long-term thinking.

### Key Takeaways

- **Net worth is only one factor**

Liquidity and runway matter more for survival.

- **Sustainability drives approval**

Franchisors evaluate your ability to withstand ramp-up periods.

- **Conservative planning builds trust**

Over-optimistic assumptions raise concerns.

- **Cash flow awareness is critical**

Working capital protects early-stage operations.

- **Financial discipline supports long-term success**

Preparation signals stability

## **Why this matters**

Many businesses struggle due to undercapitalization not lack of effort. Franchisors prioritize candidates who understand realistic ramp timelines and maintain financial cushions.

Thoughtful financial planning reduces stress and protects the system's brand reputation.

## **Reflection Prompts**

- Do I have sufficient liquidity beyond startup costs?
- Have I planned for slower-than-expected ramp-up?
- How comfortable am I with potential debt obligations?
- Are my projections conservative and realistic?
- Do I have contingency reserves?

## **Next Steps**

Review your business plan assumptions and adjust for conservative estimates where necessary.

Proceed to Lesson 44 to understand how coachability and alignment affect award decisions.

## LESSON 44: COACHABILITY & BRAND ALIGNMENT

### What this covers

This lesson explains how franchisors evaluate coachability throughout the process. Openness to guidance, respect for systems, and collaborative mindset are critical to long-term success.

The lesson also highlights common red flags, including resistance to established systems or attempts to significantly modify the model.

### Key Takeaways

- **Coachability is evaluated early**

Your attitude throughout the process matters.

- **Resistance raises concerns**

Franchises depend on system consistency.

- **Alignment requires respect**

Strong candidates balance confidence with humility.

- **Collaboration strengthens partnerships**

Thoughtful questions are welcomed — rewriting the system is not.

- **Confidence and coachability coexist**

The best operators demonstrate both.

## **Why this matters**

Franchise systems rely on brand consistency. Owners who resist systems or dismiss feedback increase operational risk.

Alignment ensures smoother training, better performance, and stronger long-term relationships with franchisor leadership.

## **Reflection Prompts**

- Am I open to established systems?
- Do I ask questions respectfully and constructively?
- Have I shown willingness to learn?
- Do I value structure and accountability?
- Is this brand's culture aligned with my working style?

## **Next Steps**

Evaluate whether the franchise system aligns with your leadership style and expectations.

Proceed to Lesson 45 to understand what happens once an award is issued.

## LESSON 45: AWARD ISSUED: WHAT CHANGES NEXT

### What this covers

This lesson explains the meaning of an award. An award indicates approval to move forward — not the immediate start of operations.

Candidates transition from evaluation to execution. Agreement signing, training schedules, site development, onboarding, and operational preparation follow.

### Key Takeaways

- **An award signals approval**

It does not mark the start of revenue.

- **Execution phase begins**

Focus shifts from evaluation to action.

- **Training and onboarding follow**

Structured preparation replaces due diligence.

- **Responsibility increases**

You are now preparing to represent the brand.

- **The relationship evolves**

You transition from candidate to operator.

## **Why this matters**

The award stage often creates excitement. However, disciplined execution determines long-term success. Understanding this transition prepares you to move responsibly into operations.

## **Reflection Prompts**

- Am I ready to shift from evaluation to execution?
- Do I understand upcoming timelines?
- Have I reviewed my financial commitments?
- Am I prepared for the training and onboarding process?
- Do I feel confident in my decision?

## **Next Steps**

Complete agreement documentation, prepare for training, and organize operational milestones.

Proceed to Lesson 46 to understand how responsible ownership begins before opening.

## LESSON 46: RESPONSIBLE OWNERSHIP STARTS BEFORE OPENING

### What this covers

This lesson emphasizes that responsible franchise ownership begins before doors open. Early habits set the tone for long-term performance.

Strong communication, disciplined planning, consistent follow-through, and a long-term mindset are foundational behaviors.

### Key Takeaways

- **Ownership begins pre-opening**

Your habits now shape operational success.

- **Communication builds trust**

Strong franchisor relationships matter early.

- **Planning discipline reduces risk**

Structured execution protects performance.

- **Long-term thinking wins**

Franchising rewards consistency over shortcuts.

- **Systems thinking supports growth**

Successful owners operate within frameworks.

## **Why this matters**

The strongest franchisees treat pre-opening preparation with seriousness and discipline. Early consistency reduces stress, improves training absorption, and strengthens launch readiness.

Responsible ownership is built on habits — not just ambition.

## **Reflection Prompts**

- Am I building disciplined habits now?
- Do I communicate clearly and proactively?
- Am I thinking long-term instead of short-term?
- How will I maintain consistency during ramp-up?
- What standards am I setting for myself as an owner?

## **Next Steps**

Continue reinforcing disciplined preparation as you move toward launch. Use the Micro-Learning series as a reference tool throughout onboarding and early operations.

Successful franchise ownership begins with informed decisions and responsible execution.