



ARE YOU BUSINESS SAVVY?

Ask yourself these 10 questions to find out, Linda Whitney advises

When franchisors describe the qualities they look for in franchisees, the list almost always includes 'business savvy', 'business nous' or 'commercial acumen'.

But what is it and, if you've never worked for yourself before, how do you know if you've got it? Ask yourself these 10 questions to find out:

HAVE YOU GOT THE MOTIVATION TO RUN A BUSINESS?

Motivation is a major component of business savvy, Matt Levington, co-founder of business growth consultancy franchise Business Doctors, says.

"Having a strong, long-held desire to run your own business is a good starting point," he adds. "Some people just know they are not cut out to be employees forever and that their ultimate aim is to be their own boss."

Aliyyah-Begum Nasser, managing director of signs franchise Signarama UK, says: "Business savvy is often put on a pedestal and I think it can deter people from applying to be a franchisee - but it's really just about confidence and common sense.

"Running a business takes motivation, energy, resilience and willingness to learn. It's more about personality than business experience."

ARE YOU USED TO WORKING ALONE AND DELIVERING RESULTS?

Driver Hire franchisee Lisa Hughes says: "I had never worked for myself before, but as a former corporate account manager in the mobile communications sector I had worked on my own out on the road, so I was used to managing my own time and being judged solely on performance - a good grounding for self-employment."

DO YOU LOOK AT YOUR BOSS AND THINK YOU COULD DO BETTER?

People with business nous often question the way their employer operates and put forward alternatives.

They are inquisitive about how businesses make money. In a restaurant they might ask: "How many covers do you have?" Or: "What's the average spend per head?"

Lisa says: "I always knew I was capable of running a business. I talked to many business owners and often thought: 'If they can do it, so can I!'"

HAVE YOU EVER RUN A HOBBY BUSINESS ALONGSIDE YOUR JOB?

Have you sold regularly on eBay, mowed lawns for cash or were you the kid who resold sweets at a profit to classmates?

Matt says: "This shows that your entrepreneurial spirit has always been close to the surface."

DO YOU WANT TO MAKE MONEY?

Lisa says: "Business savvy is a combination of business skills and the desire to succeed - that's everything in business.

"Franchisors look for people who want to earn money, so make it clear from the start. Don't be afraid to say so."

DO YOU HAVE A BUSINESS BACKGROUND?

Carly Sterne absorbed business savvy from her family. A teacher of English and drama, she's also a Stagecoach Performing Arts franchisee.

Carly says: "My mum was a business managing director and I spent time in



Lisa Hughes: "I always knew I was capable of running a business"



Matt Levington: motivation is a major component of business savvy



her office growing up. My dad had his own business too, so I knew what it meant to be business-minded.”

Before going into teaching, she also worked in sales, talking to business leaders daily, and had admin experience.

“When I decided to invest in a franchise, I was confident I had the business acumen I needed,” she says.

HAVE YOU GOT PEOPLE SKILLS?

“Someone who has been able to demonstrate first class people skills in an employed role will be very appealing to a franchisor,” Matt says.

“If a potential franchisee has an interest in business, a desire to make money and emotional intelligence, a franchisor knows they can teach them the practical nuts and bolts of running a business - but people skills are much harder to train.”

ARE YOU RESILIENT?

Matt says: “A potential franchisee must have the resilience and self motivation to carry on when things don’t go according to plan.

“A strong indicator of a great franchisee is someone who takes responsibility when things go wrong



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and takes positive steps to put things right, rather than blaming it on external circumstances.

“If someone has the kind of ‘why does bad stuff always happen to me’ attitude, my alarm bells start ringing.”

ARE YOU WILLING TO LEARN?

“If you’re willing to learn and analyse your performance so as to improve it, your business ability can grow,” Aliyyah says.

“We can help you develop the rest of the skills you need.” Matt says. “Business savvy includes willingness to learn. If someone thinks they already know it all, a franchise will not work for them.”

DO OTHERS THINK YOU HAVE BUSINESS SAVVY?

Lisa says: “I asked my ex-boss if I had the business skills I needed. I trusted his opinion because he’d managed several companies and knew many entrepreneurs. He said yes, as did my partner.”

Still not sure if you have it? Don’t panic.

Aliyyah says: “If you have the motivation to start a business, don’t worry too much about having so called business savvy. It’s really just about personality, common sense and asking questions - and franchisors are experts at developing it.”



HAVE YOU GOT BUSINESS SAVVY WITHOUT REALISING IT?

Andy Knights, chief operating officer at Stagecoach, says: “About 80 per cent of our franchisees have never worked for themselves. Often the first thing they say is: ‘I have no business experience’.”

However, that doesn’t mean they lack business savvy - just that often they don’t recognise it, Andy explains.

He says: “Our job is to uncover an aptitude for business, which we can spot during the franchisee interview process. Experience of teamwork, administration, budgeting and organisation can come from jobs, volunteering or running a home.”

Candidates are also asked to create a local business plan.

“That often reveals whether they have a business-like approach,” Andy says.

He adds: “I suspect franchisors are missing out on good franchisees because applicants are not confident that they have business nous, when in many cases they have.”

Andy advises: “Don’t let fear that you lack business savvy put you off applying for franchises - you probably have more than you think.”