

Training in Franchise Network: What is Currently Known and a Recommendation for Future Research

Judith Jacob Iddy¹

Abstract

The purpose of this study is to examine the impact of training measurement in franchise performance by reviewing existing literature and exploring the measurement of training in social franchising in the African context. The study starts by reviewing the existing franchising literature that analyze the relationship between training and franchise performance. Then, the study applied the qualitative research approach to explore the relationship between the training measurement and social franchise performance. The findings from literature review reveal three training measurements that have been used in the existing franchise literature including absolute measures, proportional measures, and emphasis measures. The study suggests that the training content is a crucial training measurement that franchisors need to evaluate in determining the role of training and its effect on franchise network performance. The study proposes research questions to further develop the franchising and training literature as well as providing an assessment of managerial implications to training managers in a franchise network. Further, the study highlights the effect of training measurement in franchising operating in African context. However, due to the unique features of social franchising and nature of social franchisees joining the social franchise network, the study reveals the importance of the inclusion of training content to measure the effect of training on social franchise performance.

Keywords: Social Franchising, Training content, Absolute measure, Importance measure, Proportional measure

Introduction

Franchising is a contractual business model that involve a franchisor and a franchisee. A franchisor is a business owner that transfers an already tested and proven business format which includes technical and operational knowledge to a franchisee who in return pays investment and royalty fees to use franchisor's business knowledge (Luu *et al.*, 2023). More recently, the franchising sector has experienced a continuous growth of social enterprises adopting the franchising model for social impact expansion especially in developing countries due to the increasing need for social services and poverty (Naatu and Alon, 2019). Research indicates that social sector franchising seems to increase the quality of social services as franchising model emphasizes personalization and attention to details (Sorenson, 2021; Cumberland and Litalien, 2018). To ensure the successful operation of a business by franchisees, franchisors use operational manuals, emails, and training to transfer knowledge to franchisees (Iddy, 2021; Mello, Carneiro-da-Cunha and Telles 2021). Among the transfer mechanisms used in franchising, research has confirmed that training contributed highly to successful knowledge transfer and franchise's financial (Gorovaia, Pajic and Windsperger 2023; El Akremi *et al.*, 2015) and strategic performance (Ramírez-Hurtado, 2017;

¹ University of Dar es Salaam Business School
Email: iddy.judith@udsm.ac.tz

Bennett *et al.*, 2010). Training is important for enhancement of human resource which leads to greater organizational performance (Tharenou *et al.*, 2007; Gil *et al.*, 2023). As compared to other models, training in franchising is important to ensure standardization (Karatzas *et al.*, 2020). Training is offered to franchisees and their employees not only to enhance franchise practices but also to their skills and increase capabilities and performance (Bernal *et al.*, 2021; Timms, Frazer, Weaven, Thaichon 2019; Wang *et al.*, 2024).

Training is a bundle of structured and unstructured programs that seek to impart knowledge and understanding of business practices as well as ensuring business development and growth (Osorio-Londoño *et al.*, 2019). If training is designed and offered effectively, based on the organizational needs, it should impart knowledge that result in organizational improvement (Osorio-Londoño *et al.*, 2019; Zutshi *et al.*, 2023). To measure the effectiveness of training in organizational performance, training has been theorized and measured in four ways including absolute, proportional, content, and emphasis measures (Tharenou *et al.*, 2007; Bingham and Eisenhardt, 2006). Although training has been criticized for being expensive (Von Koch *et al.*, 2020) and not having a direct link with the organizational performance, training is very important in franchising to ensure successful replication of franchisor's knowledge and quality (Rickard *et al.*, 2018; O'Connell *et al.*, 2011). Research has shown that franchisees acknowledge that training offered by franchisors is very important especially at the earlier stage of their operation (Aziz *et al.*, 2021; Padila-Perez, 2016). Early research indicate that franchisees joined franchise network due to the importance of training offered by franchisors to their business growth (Bennett *et al.*, 2010; Huntington *et al.*, 2012). A similar point was forwarded recently in social franchising by Cumberland and Litalien (2018) indicating that more than 80% of franchisees were attracted to join franchising network because of the training. Furthermore, the training motivation to join a franchise network is more prevalent in social franchising as compared to commercial franchising (Cumberland and Litalien 2018).

So far, research in franchising has indicated the strong relationship between training and franchising performance (examples, Brookes and Altinay, 2017; Gorovaia *et al.*, 2023). This article seeks to identify how training is measured in franchising literature. To achieve this objective, the literature review methodology was adopted to firstly, review different measures used in the franchising literature. Secondly, the study further explores the measurement of training in the social franchising setting. The findings from literature review indicate that the examination of training impact on franchising performance has focused only on commercial franchising (see Table 1). Although research suggest that social franchisees are mostly motivated by trainings to join franchise network, little has been done to test the effect of training on social franchise network performance. Furthermore, literature review findings denote that training in franchising is measured mainly by three measures which are: i) absolute ii) importance and iii) proportional measures with absolute measures dominate the field. While research proposes that franchisees learn from the franchisors' experience, the findings from literature review disclose that "what" is learned- the content has received little attention. Through qualitative approach, interviews were conducted in social franchising to explore the measurement of training. Findings reveal the use of absolute, importance, and proportional measures of training commonly used in commercial franchising in measurement trainings in social franchising. However, there is a need to focus on training content for overall learning outcome (Andriani *et al.*, 2022; Osorio-Londoño *et al.*, 2019) as well as holistically measure training to understanding the effectiveness of training in

performamnce (Correa and Caevalho, 2020). Using recent observed conclusions, this research contributes to franchising, particular social franchising literature by providing an important measure of training in franchising outcome. This is achieved through research questions proposed that can be explored in the future to expand the field of training and franchising. The remainder of this article is organized as follows: the next section presents the methodology used in this study. Thereafter, findings from the literature review are presented followed by the findings from qualitative research. Discussion section follows where theoretical implications and areas for future research are presented finalized by managerial implications.

Theoretical Foundation

Several management theories such as knowledge-based view (Barney 1991), resource-based view (Grant 1996) and dynamic capabilities (Nonaka 1994; Teece *et al.*, 1997) theorize that knowledge is one of the important resource in attaining organizational performance. These theories hypothesize that, competitive advantage of any organization depend on the resource that is unique, valuable, inimitable and non-substitute. However, (Teece *et al.*, 1997) emphasize that, because resources can be copied over time, organizations must continuously update the resources (e.g. through innovation) to maintain or increase competitive advantage. Franchising presents an interesting setting for knowledge-based studies due to the role of knowledge resource to the success of franchise network (Jeon *et al.*, 2016). For a successful operation of franchise network, franchisor must transfer technical know-how and operations knowledge to franchisees (Perrigot *et al.*, 2017). To remain competitive in the market, the knowledge transferred should not only be unique but also remain inimitable from competitors throughout the organization existence (Rahman et al., 2023; Weaven *et al.*, 2014). Franchisors are regarded as knowledge creating organizations (Nonaka and Takeuchi, 1995) that expand their business through allowing other organizations (franchisees) to operate their business by learning from franchisors' establishments (Garvin, 1993). However, this does not mean that franchisee cannot build knowledge in the franchise network. In the process of updating knowledge for competitiveness franchisee can suggest knowledge improvement based on local knowledge through adaptation (Darr *et al.*, 1995). In this case, franchisors should be open to new ideas from franchisees and taste them before adapting their knowledge manual to facilitate knowledge transfer (Argote *et al.*, 2003).

Competitive advantage is created by possessing a unique knowledge. Nonetheless, competitive advantage in franchising is realized when the knowledge is shared among all franchisee in a network (Akremi *et al.*, 2015). Knowledge sharing is a crucial process as it converts the organizational created knowledge to information that aid franchisees understand franchisor's business practices (Basten and Haamann, 2018). Depending on absorptive capacity of both franchisees and franchisors (Apriliyant and Alon, 2017) and relevant mechanisms used to transfer knowledge (Iddy 2021; Gorovaia 2023), the successful knowledge transfer leads franchise network performance.

Knowledge Transfer Mechanisms in Franchising

Knowledge transfer mechanisms involve the tools, devices and systems that knowledge move from a sender to a receiver. The use of these mechanisms to transfer knowledge depend on the type of knowledge being transferred (Perrigot *et al.*, 2017). On one hand, explicit knowledge which involve code of conduct, financial reports and other operational reports that can be documented, stored and shared are transferred through code books, operational manuals, emails and reports

(Windsperger and Gorovaia, 2011). On the other hand, tacit knowledge which is embedded in human can efficiently be transferred through high rich knowledge transfer mechanisms such as training, field visits and tours (Basten and Haamann, 2018; Jell-Ojobor and Windsperger, 2014). Although existing literature of knowledge transfer mechanisms in franchising has posit low rich and high rich transfer mechanisms to transfer explicit and tacit knowledge respectively (Jell-Ojobor and Windsperger, 2014; Menguela-Rata *et al.*, 2010) some contextual factors might bring differences in the usage of these mechanisms (Iddy, 2021). In Africa and other developing countries, poor education systems and lack of access to quality training program limit effective knowledge management (Luu *et al.*, 2023; Zoogah *et al.*, 2020; Baba, 2018). Due to these reasons researchers have been trying to develop new skills to facilitate knowledge transfer in developing countries context rather that adopt the traditional mechanisms used in the Western countries (Campos *et al.*, 2017). Additionally, due to the nature of available manpower resources as a result of poor quality education, research indicate that training is most preferable transfer mechanism especially in social franchising (Cumberland and Litalien 2018; Iddy 2021).

While training can effectively transfer knowledge in franchising, the methods of training are important. To ensure that training yield the expected results, franchisors provide initial training to all franchisees as they join the franchising network (Rickard *et al.*, 2018). Subsequently, all franchisees' employees are also trained based on their respective role (Cappelli and Hamori, 2008). Also, other trainings are normally offered to prepare franchisees for a special activity (Dominguez-Falcon, 2021). For instance, a training can be provided on brand management for competitiveness to ensure franchisees know the importance of franchise brand in the market. More important, training can be extended for number of days or weeks as longer time in training has been theorize to increase transfer of knowledge and eventually increase performance (Brookes and Altinay, 2017; Jeon *et al.*, 2016). However, training content has received little attention in measuring training in franchising (Nguyen 2014). Although the standardize nature of franchisor's knowledge across all franchisee in all market might provide the reason for this omission (Basten and Haamann, 2018) but research is needed to investigate holistically the measurement of training on franchise performance.

Methodology

Research Design

This article adopts a mixed methods approach by employing a systematic literature review and qualitative approach. A systematic literature review was employed to build a foundation for the qualitative analysis by providing knowledge on how training has been measured in the existing literature through domain-based review (Paul and Criado, 2020). Thereafter, the qualitative approach was employed to explore training measurement in social franchises. By using interpretivist research design, grounded theory allows the emergence of new phenomena from interview excerpt (Glaser, 2005). To gain deeper understanding of the measurement of training in franchising the single case study was employed due to the unexplored nature of training in social franchising. As indicated above, social franchises are more predominant in developing countries especially Africa (Cumberland and Litalien, 2018) and Asian countries (Hussain *et al.*, 2020) therefore a company (in this study called ABC) operated in eight countries in Africa was selected for this study. According to International Franchise Association- Social Sector Committee (<https://www.socialsectorfranchising.org/>) they are several social franchises operating in Africa but most of them expand from the North America or Europe. And for those established in Africa,

most of them operate only in a single country. ABC social enterprise was established in 2012 in the two East African countries and later on successfully expanded in other six African countries, supplying safe drinking water by using the franchising model. It is currently operating in eight African countries, and has launched more than 160 franchisees.

Just like any other franchise, ABC social franchise provides training support for its franchisees. It offers two-weeks initial training at the headquarter office before the launch of the franchisee outlet and on-going monthly training after the launch. Additionally, it offers technical training for franchisees staff according to their role in the outlet as well as organized training once a need arises. Technical training and organized training involve on-field training at the franchisee's outlet or at the company's headquarters depending on the nature of the problem.

Data Collection

For systematic review, data for this study was collected from four databases including Web of Science Citation Index (SSCI), Science direct, ProQuest and Google scholar database. These databases were selected because they include leading journals and small journals that makes the search more inclusive. Two keywords (used in author title, abstract, and keywords) and their synonyms were used to search for articles in the databases. These keywords are franchise* (to include franchise, franchisee, franchisor, franchising, franchiser) and training with its synonyms: knowledge transfer, knowledge resource, knowledge management, knowledge transfer mechanisms). Limiting the search to articles written in English language, the initial phase produced 66,934 articles. After removing articles considering several criteria, the final stage produced a total number of 19 articles included in the review section. The whole process is summarized in the Figure 1.

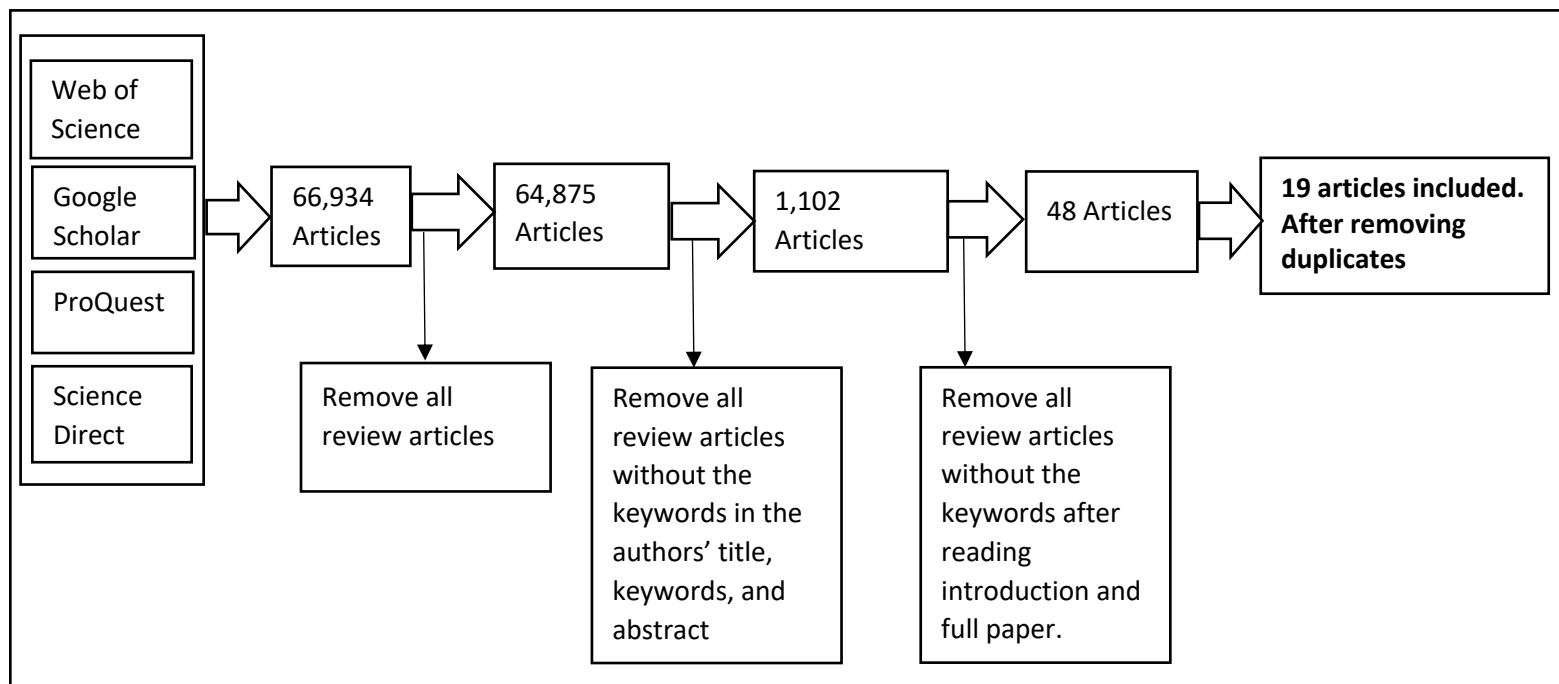


Figure 1: Systematic selection of papers for review

The 19 articles reviewed indicate how training is measured in franchising with only findings from commercial franchising. This prompts further exploration of training measurement in social franchising. To explore the measurement of training in social franchising two sources were used to collect qualitative data, semi-structured interviews and observations. Face-to-face interviews were conducted in Uganda and Tanzania while digital mechanisms were used to conduct interviews from Rwanda. The interviews were conducted with franchisees, managers of franchised units, front office staff, and technical staff. A total of 18 interviews were conducted with an average time of 43 minutes approximately as indicated in Table 1. The interview process was stopped after reaching saturation point where no new information was collected (Saunders *et al.*, 2018). The interview started with general questions including what kind of trainings are offered by a franchisor? Who attends the trainings? How do you measure whether you have achieved the intended purpose of the training offered by a franchisor? and then proceeded depending on the response. Moreover, both participant and non-participant observation were used. In one hand, participant observation happened during field visits in Uganda and Tanzania where I could observe how staff and franchisee conducted their activities. On the other hand, non-participant observation happened during the franchisee annual meeting in Uganda and other international meetings organized by IFA social sector committee where the company director and few selected franchisees were among the participants.

Table 1: Data Collection Overview

Source	Respondents	Time	Used in Analysis
Semi-structured Interviews	A1-Franchisor- Uganda	23 min	Understand the process of developing training contents
	A2- Franchisor- Tanzania	38 min	
	Franchisee ZA	48 min	
	Franchisee ZB	35 min	Understanding the importance of training contents to franchisees.
	Franchisee ZC	56 min	
	Franchisee ZD	56 min	
	Franchisee ZE	31 min	
	Franchisee ZF	43 min	
	Front desk manager (ZF)	58 min	
	Production manager (ZF)	34 min	
	Franchisee ZG	43 min	
	Franchisee ZH	52 min	
Observation			
Franchisee monthly meeting in Uganda and Tanzania	All franchisees and company's franchise manager at the headquarter.	Average of 75min	Understanding the training practice and the contribution of franchisees in developing training content

Data Analysis

Content analysis approach was used to analyse articles whereby coding categories are derived from the data/articles (Gaur and Kumar, 2018). These codes were formulated by selecting the words that appear to present how training was measured in a particular article. These codes were named based on the concepts prevailing in the existing training literature. Table 2 provides a reviews' summary of articles examined in this study. Qualitative data analysis involves the use of data reduction techniques guided by two research questions, how training is measured and how the training is conducted in social franchising (Ragin, 1997). The two research questions help to identified the relevance of training content and how that content should be developed to produce learning outcomes. By comparing and contrasting codes from each respondent, common themes were mapped out to identify measures of training (Corbin and Strauss, 2015). The findings from qualitative research were used to formulate the potential questions to advance future research. To ensure validity and reliability different data sources were used. Additionally, interviews were conducted from different respondents within the same franchising outlet, as well as contrasting and comparing of the findings with existing literature. The draft report of the study was sent to the company headquarters and few selected franchisees for validation (Gibbert *et al.*, 2008).

Findings from Literature Review

In franchising, training has been examined by different measures as shown in Table 2. Specifically, measurement of training has encompassed absolute (time that franchisees and employees use to received training), proportional (number of employees received training), and emphasis measures (importance-based training). Within these groups, there are variations. For instance, in absolute measure training has been measured as hours or days spent in training, number of trainings or frequency of training. Additionally, only one article uses a combination of two training measures across different groups of measures; absolute and proportional measures.

Absolute Measures of Training

Table 2 shows that 11 studies out of 19 studies (57.9 percent) on training in franchising fall under absolute measure group. Within this group, training has been operationalized as number of trainings franchisees receive (Ioanna and Maria, 2013; Brookes and Altinay, 2017; Szulanski and Jensen, 2006; Shane, 2001), hours of training (Cappelli and Hamori, 2008; Chiu and Hu, 2003), days of training (Lucia-Palacios *et al.*, 2014; Scott, 1995; El Akremi *et al.*, 2015; Jeon *et al.*, 2016), and number of weeks (Michael and Combs, 2008). Furthermore, the analysis indicates that among these 11 studies, 9 study the impact of absolute measure of training on strategic performance (survival, employability, franchisees satisfaction, conformity, and network expansion) while 2 focus on financial performance (increase in total sale). While other studies suggestion a positive relationship between training and performance, Scott (1995) found no significant relationship.

Proportional of Employees Trained and Franchise Performance

Out of 19 studies on impact of training of franchising, only 2 use the proportionate of employees receiving trainings (Cappelli and Hamori, 2008; Lusch, 1976). Cappelli and Hamori (2008) found that people are attracted to be employed in franchise networks as compared to non-franchises because of the training offered in franchises. In their study they combine number of hours (absolute measure) an employee receive a training with the percentage of employees from different section attending train. In another study, Lusch (1976) high proportional of employees receiving training support increases a chance of franchisees satisfaction with a franchisor business. All the study

under this category examine the impact of proportional of employees trained on strategic performance (employment outcome and satisfaction) of a franchise network.

Importance of Training and Franchise Performance

The remaining 7 studies as indicated in Table 2 focus on the importance of training on franchise performance (Bennett *et al.*, 2010; Darr *et al.*, 1995; Merrilees and Frazer, 2006; Minguela-Rata *et al.*, 2010; Ramírez-Hurtado, 2017; Roehl and Swerdlow, 1999; Dominguez-Falcon *et al.*, 2021). Out of 7 studies, 5 studies examine the influence of importance of training on strategic performance (organizational performance, satisfaction, franchising decision, productivity and training transfer) of a franchise network while 2 focus on the financial performance (cost reduction and payback period).

Table 2: Selected empirical franchising studies on training and performance

Study	Theory	Codes	Categories/ Measure	Performance variables studied	Empirical findings
(Ioanna and Maria, 2013)	-	Number of trainings	Absolute Measure	Satisfaction	As franchisees attends more trainings, performance increase.
(Brookes and Altinay, 2017)	Institutional & Organizational learning theories	Frequency of training		Conformity	Extensive training influence mimetic isomorphism for performance.
(Szulanski and Jensen, 2006)	Organizational theory	Number of trainings		Growth	Replication of original business template influence the growth of a network.
(Lucia-Palacios <i>et al.</i> , 2014)	Signalling Theory	Days of training		Growth	Training attracts franchisees to join franchise network.
(Chiu and Hu, 2003)	-	Hours of training		Growth	Franchisor's training increases number of franchisees
(Scott, 1995)	Agency theory	Days of training		Growth	Not significant
(El Akremi <i>et al.</i> , 2015)	Dynamic capabilities	Number of days		Total sales	Longer periods of training increase sales performance of franchise chain.
(Jeon <i>et al.</i> , 2016)	Knowledge-based view	Number of days		Growth and financial performance	Trainings leads to increase in sales thus attract more franchisees to join franchise network.
(Shane, 2001)	Effective contracting	Number of Training		Survival	Training, if efficiently applied reduce franchise failure rate.
(Michael and Combs, 2008)	Agency Theory	Number of weeks		Survival	Training programs that enhance franchisees' specific human capital

	Resource-based view				improve franchisee survival rates.
(Cappelli and Hamori, 2008)	-	1. Hours for training	Proportional Measure	Employment outcome	Jobs were better in franchises compare to non-franchises
		2. Percentage of employees receive training			
(Lusch, 1976)	-	Proportional of training		Satisfaction	Training support increase franchisees' satisfaction
(Darr <i>et al.</i> , 1995)	Organizational learning	Importance of training	Emphasis Measure	Financial	Knowledge sharing leads to cost reduction.
(Roehl and Swerdlow, 1999)	-	Importance of training		Organizational commitment	Training increase organization commitment through work characteristics.
(Minguela-Rata <i>et al.</i> , 2010)	-	Importance of training		Financial	Training influences the payback period of franchise initial investment.
(Ramirez-Hurtado, 2017)	-	Importance		Satisfaction	Franchisees satisfaction depend on the training offered
(Bennett <i>et al.</i> , 2010)	Agency theory Resource scarcity	Importance of training		Franchising decision	Training influence network growth by attracting more franchisee
(Merrilees and Frazer, 2006)	Effective marketing	Importance of training		Productivity	Training increase productivity to low performing franchisees
(Dominguez-Falcon <i>et al.</i> , 2021)	Social Exchange Theory	Importance or Relevance of training		Training transfer	Relevant training directly increases application of training which affect relationship satisfaction and finally increase customer performance.

Findings from Qualitative Research

Training Content as Measure of Training

From the literature review we have learnt that training in franchising is measured mainly by three measures absolute, importance and proportional measure with absolute measure dominate the field. While research proposes that franchisees learn from franchisors' experience through training and other means of knowledge transfer, the findings from literature review disclose that “*what*” is trained has received little attention. Through qualitative approach, interviews were conducted in social franchising to determine the best way to measure training as training is a major reason for social franchisees to join the franchise network (Cumberland and Litalien 2018). The respondents were asked to mention the training received from the franchisor. Before opening the store,

franchisees and their employees undergo the initial training which is normally a two-week training to familiarize with franchisor business knowledge. Then after, they receive monthly training to pass on information, details, knowledge or if there are any changes to the current practice that franchisees need to adapt. Then also, from time to time employees either go to the headquarter or the franchisor comes to the franchisee store to train employees according to their respective roles in the store. One respondent's reply *"The monthly meetings were more of status update, performance of each franchisee in comparison to others, and then talking about the challenges faced and they can be dealt with. They didn't necessarily address growing clientele"* **A1**.

Moreover, franchisees appreciate the number of trainings that the franchisor provide. However, the franchisees commented on the content received from these training. The fact that all franchisees from different territories with different market characteristics receive the same training might limit the relevant training that is needed for a particular market. One respondent said *"No matter how many trainings we get from these people, if the content fails to address required knowledge to achieve performance target, we don't see the point of having trainings at all. So we skip"* **ZA**.

When asked if the trainings from franchisor oftentimes achieved what is intended to achieve, the respondents commented that *"Yes, the major goal of the monthly meetings is to help all the franchisees to increase their customer base and sales. Most times the content helps me achieve growth in terms of new sales however this does not address overall growth i.e. maintain and keep the existing customers happy before acquiring new ones"* **ZB**.

The interview went on and asked respondents if training content is important as compared to the number of trainings and amount of information received from the franchisor. The majority of respondents said it is very important and they expect the contents to vary in each meeting and to different franchisees depending on their location. Furthermore, they believed their peers can share more relevant information because of the experience they receive serving customers in their territories. Commenting on this, one respondent said *"I just feel like we will need that kind of social interactions to get closer to each other, share more knowledge and strategies and all that we need details like how do you get all this amount of water, how do you get customers, how do you get all these supermarkets and client...what do you do? Do you really give out those bottles? do all these clients buy these bottles? do you have some few that you just give them and later on they pay you? give us all those full details"* **ZE**.

Training Content Development

In addition to pointing out training content as another measures of training impact, the respondent commented on the development of training content in the network. In assessing the development of training content, both franchisor and franchisees were interviewed. When asked about the development of training content, the training manager at the headquarter explained that *"... we are still very much in the process of tightening up the trainings that we do but we have a model of content, so most of those areas we have particular modules with you know presentations, handouts and those kinds of things that are presented to the people who are join us."* **A2**. Further, they stated that they have standard module for new franchisees which is more of the introduction and franchising knowledge as well as to each specific role. The franchisor in Tanzania stated that *"Yes, there is particular modules that only apply to specific role. So, we might give a franchisee a general overview of each of the area and then there is more in-depth training that happen for each*

of the roles” A2. On the other side, franchisees appreciate the trainings delivered by the franchisor but would like the content to continuously change based on the changes in circumstances. The respondent said “They first give you the theory part and after, they give you the practical part at the corporate. Then I come back here to continue practices myself” ZF. On the contrary another respondent added that “it’s not like I’m complaining; their trainings are okay...they help us a lot. But the issue is after I practice and my customer face problem I want new things to give my customer solution....sometimes what they suggest don’t work” ZD.

Although the trainings received from corporate help them to increase performance, they suggest the content to change reflecting the changes in the market as commented by the respondent saying *“We always need that because we always need to update how to get new ideas. And corporate always does that. They always give us those trainings but then new problems always occur” ZB.* The reason is, the franchisor provides standard trainings without recognizing the different nature of market or territories served by franchisees which make some of the content to be irrelevant. One respondent said *“sometimes some of are not relevant to us but then you kind of have to constantly pass it. If it's standard whatever cleanness and all that. Those are the things that are cross the board we kind of we have to reinforce. So, ok this is what we got out of the meetings and this is what we think might work.” ZE.* Franchisees based on their markets, they are forced to choose what work or do not work for their individual market as one responded stated *“She said ok this promotion might work; this promotion is little harder and I don't...I'm not gonna put my effort into this. And I listen to her... and said ok let's put it there and leave it there if it works great if it doesn't then we will change, we will figure out something else” ZG.* The franchisees would like to get deep understand on what works in their individual territories but due to the process of developing training content at the moment they end up receiving irrelevant information as said by a respondent *“We has a lot of information that's not relevant to me. Because is the same thing...” ZE.*

Training Content in Franchising

The franchisees emphasize on changing on the training content based on territory because given the nature of the business franchisees serve different customers, and thus even the product (water bottles of different volumes) and challenges facing customers are different. However, the training content hardly reflect that as respondent from headquarter said *“Right now, we have like the standard mode training that's for new franchisee and then we will do like refresher trainings based on again the trends that we see in the network” A1.* This is also reflected by franchisee’s employees who said *“Others are the same, but they bring new things but mostly they are the same, others they are being new” ZF.* It was gathered from franchisees that they would like franchisor to customize the content based on the individual store as per store’s customers as they request the headquarter to visit them and collect information before they develop content. One respondent said *“Actually, there are things that you may understand differently, and they mean something differently. It's always better they come here and explain” ZC.*

Franchisees commented that the overall training content is good but it cannot be the same every time we are called for a meeting as a respondent said *“I guess to those people...I guess to what content and who needs it the standards are very helpful and then.... I think overall, it's been good but as we grow they need to change” ZH.* Although the product is the same, the characteristics of customers are different as well as the challenges faced by franchisees are different which call for different training content.

Discussion and Implications

Although the findings from literature review are drawn from commercial franchising, the findings from the interviews conducted in social franchising confirm that all the measures of training are important to measure training in the franchising field. Through the interviews with both franchisees and franchisor the findings revealed that all the measures used in commercial franchising; absolute measures, proportional measures, and emphasis/importance of franchising measures (See Table 2) are also used in social franchising. Respondents explained that when they join the network, they go for two weeks initial training at the corporate/franchisor office followed by monthly training. Then, their employees also will undergo several trainings based on their role in a franchisee outlet. Afterward, based on an event (specified by franchisor), the training will be prepared and all the relevant participants (either franchisee or their employees) will be required to attend. These events are such as market expansion training, outlet launch training, and product innovation which based on their explanation a researcher termed the training as corporate event-based training as the theme is decided by the franchisor or the corporate office.

As much as standardization is the strength of franchising model which lead to the supposedly standardized training content, nature of the market, franchisees special needs, and maturity level of franchisees may require adaptation of training content (Osorio-Londoño *et al.*, 2019). Conversely, many problems arise in training content and delivery including insufficient adaptation of training content with franchisees' market characteristics (Karatzas *et al.*, 2020; Iddy, 2021). Despite the number of trainings offered, franchisor training should impart new knowledge and skills if the training content is relevant based on franchisees needs and market characteristics (Perrigot *et al.*, 2017). When training content coupled with the frequency with which it is offered results in improvements in required knowledge and skills, franchisee and employee performance should improve provided that the knowledge acquired is transferred to the job (Rickard *et al.*, 2018; Basten and Haamann, 2018). This will increase, not only a franchisee store performance but the overall franchise network performance when franchisees meet to share knowledge during their formal and social meetings (Gil *et al.*, 2023; Hussain *et al.*, 2020).

These findings support previous research that time spent in training and proportional of workers trained will have no impact if training content is not linked with the franchisee needs (Osorio-Londono *et al.*, 2019) and reflect franchisee market profile (Andriani *et al.*, 2022). During interviews, it was observed that franchisees are willing to have more frequent trainings if the content will help them in achieving performance targets in their zones. Supporting (Osorio-Londono *et al.*, 2019) and (Perrigot *et al.*, 2017), this case shows the evidence of effectiveness of training content in connection with targeted group. Giving more training may not be a "right" strategy if content does not reflect the need. Franchisees might skip training as shown in this case as long as the trainings do not contain right content to improve performance (Karatzas *et al.*, 2020; Correa and Carvalho, 2020).

Theoretical Implications and Suggestion for Future Research

The findings of this research contribute to franchising, in particular social franchising literature by providing a key examination of the relationship between training measurement and franchising outcome. While literature review indicates how training is currently measured in franchising, the qualitative research shows how this measurement can be completed by also measuring the training

content for franchising performance. Examining the suggested research question provided here will advance the field of knowledge management in franchising. Existing research shows that the training has been measured mainly by using three measures namely number of trainings or hours used in trainings, proportional of employees trained, importance of training. Incorporating training content in our analysis will provide the holistic measure of the impact of training on franchising performance (Basten and Haamann, 2018). Likewise, there might be potential moderators that might impact the relationship between training content and performance outcome. Variables such as ability of a trainer to prepare content and teach, training techniques, trainee's competency and training environment could be potential moderators of training measures and performance (Osorio-Londono *et al.*, 2019; Zutshi *et al.*, 2023).

Specifically, this study contributes on the specific nature of social franchising in providing services mainly in developing countries. The case used in this analysis indicate that based on the nature of the service offered and the different nature of customers, flexible training content is crucial (Bingham and Eisenhardt, 2006). As compared to commercial franchising who sell standardize product fit to all customers purchasing product from the store, the case indicate that water bottles sold to residential market were different from those sold in the commercial markets, and thus call for different training content to franchisee (Timms, 2019). Therefore, when analysing the impact of training on franchise performance, it is important to consider the nature of the market and the content provided to franchisee (Iddy, 2021). Thus, more research combining commercial, social franchising and other form of franchising is needed to investigate the contribution of context when measuring the effect of training content on performance (Luu *et al.*, 2023; Melo 2022; Gorovaia *et al.*, 2023; Nguyen *et al.*, 2014).

Also, existing research suggest the direct relationship between absolute, importance and proportional measures of training and franchise performance (see Table 1). However, the adaptation of holistic measure by combining all the three measures and training content may have different results (Correa and Cavalho, 2020). On contrary, the training content might not have direct effect instead moderating other training measures including absolute, importance and proportional measures. Therefore, the holistic analysis of the relationship between training measures and franchise performance might show different directions and relationships that between training and performance.

Following the suggestion by Andrian *et al.*, (2022) and Bingham and Eisenhardt (2006), capturing the diverse need of franchisee market especially with different market characteristics into training content means the training content should be heterogeneous over time. The implication of this kind of training can be seen in the organization cost structure (Von Koch *et al.*, 2020). Future research should investigate how training content of this nature can be developed and its effect on performance if measured in a longitudinal study. And to stay relevant, how can heterogeneous training content be updated over time so that it can be easily shared to other franchisees of the same market characteristics across the entire franchise network. The research questions to advance the field are summarized below.

1. What is the effect of training content on franchise performance?
2. What is the moderating effect of absorptive capacity of trainer and trainee, disseminating technique, training environment on the relationship between training content and franchise performance?

3. How does training content moderate the relationship between number of trainings, importance of training and proportional of training and franchise performance?
4. How can heterogeneous training content be developed and how its effect can be measured over time?
5. How can it (heterogeneous training content) be easily updated to stay relevant over time?

Managerial Implications

The findings of this study have several managerial implications for franchising firms. First, the findings suggest an alternative measurement of training in franchising network, training content, characterized by updating the content to reflect franchisee age, market position, and needs. This indicates that training in franchising is very important for franchisee performance but only if content is taken into consideration as compared to the training hours a franchisee spent in training sessions, proportion of franchisees' workers attending a training and corporate event-based training that franchisors are currently focused on. Therefore, franchisee managers formulating training strategies must weigh the contribution of each training measure linked with expansion of franchise network. Moreover, and remarkably, an excessive focus on delivering training in terms of time spent in training, importance of training (corporate event-based training) and proportional of workers trained at the expense of what is trained could lead to reduction of innovation performance as well as reduced number of franchisees joining the network. However, recognizing that franchisees with diverse organizational and management capacities absorb knowledge differently is crucial. To tackle this challenge, training managers acquire dissemination capabilities and allocate resources to nurture and enhance franchisees and their employee's knowledge-based on firm-specific capacities through the content of training they offer in addition to the other time they use to deliver the training, franchisees employees trained, and event-based training. Focusing on content can facilitate assimilation of relevant knowledge and information acquired which may foster further innovation due to the difference of franchisees' market and customers they serve.

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