

GUJARAT TECHNOLOGICAL UNIVERSITY

MASTER OF BUSINESS ADMINISTRATION (Global Program)

Year – II (Semester – IV) (W.E.F. January 2014)

ELECTIVE SUBJECTS

Subject Name : FRANCHISING

Subject Code: 2840011

(This elective course goes well with Retailing in Semester III, or Entrepreneurship & Family Business)

1. Course Objectives:

Prepare students for practical usage of franchising as a form of entrepreneurship. After completing this course, students should be able to start a franchise company, become a franchisee or franchiser. With help of practical examples, students will learn essentials about franchising headquarters and about companies operating on the basis of exclusive or master franchise.

2. Course Duration:

The total hours for teaching this course will be 45 hours, which will be divided into 36 sessions of 75 minutes duration each.

3. Course Contents:

Module No.	Contents	Sessions
1	OVERVIEW What is Franchising Franchising Defined Difference between Franchising and other Methods of expansion Types of Franchising : Product Distribution, Business Format Advantages and Disadvantages Components of a Franchise System: Brand Trademarks, Business	4

	Operating System, Fee. Different types of growth (single unit, multi unit, developer)	
2	BEFORE CHOOSING A FRANCHISE Franchise scams Warning signs Disclosure requirements Franchise features Matching your own abilities to the challenge RESEARCH AND VERIFICATION Existing franchisees Previous franchisees Financial information Market research Background checks	8
3	DISCLOSURE AND GOVERNMENT REGULATION History of Government Regulation Franchise Law Dominion The Disclosure Laws The Relationship Law THE FRANCHISE AGREEMENT The Franchise Agreement Elements of the Franchise Agreement The Franchise Disclosure Document (FDD) Elements of FDD	8
4	Process of Franchisee Customer Services	8
5	Practical: Student will undertake a Project based on the above topics with a model Franchising Company / Franchisee / New Franchising Project, and make a Public Presentation in presence of a Franchise Manager or Owner.	8 Presentations and Live Projects

4. Teaching Method:

1. Lectures to explain the concepts with live examples followed by a case study.
2. Presentation of Term Paper / Practical Module by a student or a group of students.
3. Quiz, Question - answer and Class Discussion

5. Evaluation:

A	Projects/ Assignments/ Quizzes/ Individual or group Presentation/ Class participation/ Case studies etc	Weightage 50 marks (Internal Assessment)
B	Mid-Semester Examination	Weightage 30 marks (Internal Assessment)
C	End –Semester Examination	Weightage 70 marks (External Assessment)

6. Basic Text Books:

Sr. No.	Author	Name of the Book	Publisher	Year of Publication
1	Richard J. Judd, Robert T. Justis	Franchising: An Entrepreneur's Guide	CENGAGE Learning Custom Publishing	2007 or Latest
2	Dr. Satish Taneja	Franchising	Galgotia publishing company	2013
3	Robert T. Justis, Richard J. Judd	Franchising	Thomson Custom Publishing.	2003

Note: Wherever the standard books are not available for the topic, appropriate print and online resources, journals and books published by different authors may be prescribed.

7. Reference Books:

Sr.No.	Author	Name of the Book	Publisher	Edition
R1	Martin Mendelsohn	The Guide to Franchising	Cengage Learning EMEA, 2004	2004
R2	James A. Meaney	“How to Buy a Franchise”	Sourcebooks, Incorporated	2004
R3	Virginia	Division of Securities and Retail Franchising	State Corporation Commission	2007
R4	Rupert M. Barkoff, Andrew C. Selden	Fundamentals of Franchising	American Bar Association	2008

8. List of Journals/Periodicals/Magazines/Newspapers, etc.

Franchise Law Journal
Journal of Consumer Marketing

Journal of Advertising
 Journal of marketing
 Indian Journal of Marketing
 Indian Management
 Journal of Consumer Behaviour
 Journal of Management
 Business journal, and Online resources

9. Session Plan:

Session no.	Topic
1	OVERVIEW : What is Franchising , Franchising Defined Difference between Franchising and other Methods of expansion
2	Development of Franchising , Types of Franchising : Product Distribution, Business Format, Advantages and Disadvantages
3-4	Components of a Franchise System : Brand Trademarks, Business Operating System, Fee. Different types of growth (single unit, multi unit, developer)
5-6	BEFORE CHOOSING A FRANCHISE Franchise scams, Warning signs, Disclosure requirements
7-9	RESEARCH AND VERIFICATION Existing franchisees, Previous franchisees , Financial information
10-12	Market research, Background checks Case Study
13-15	DISCLOSURE AND GOVERNMENT REGULATION History of Government Regulation, Franchise Law Dominion, The Disclosure Laws
16-18	The Relationship Law THE FRANCHISE AGREEMENT : The Franchise Agreement
19-20	Elements of the Franchise Agreement, The Franchise Disclosure Document (FDD) Elements of FDD
21-24	Process of Franchisee Case studies (Two)
25-28	Customer Services Case studies (Two)
29-36	Practical : Student will undertake a project based on the above topics with a franchising company or franchisee, prepare a brief Project Report and make a Public Presentation, preferably in presence of a Franchisee Entrepreneur.