

Enterprise social systems to supersede franchise intranets

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Enterprise social software has traditionally been the remit of companies where “knowledge workers” predominate but, with spread of the smartphone and tablets, franchise businesses are cottoning onto the benefits of closer, up-to-the minute collaboration.

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The Cheesecake Shop is among the latest batch of firms to deploy an enterprise social system – think of a Facebook for business. Founded 21 years ago, the Sydney-based chain has 180 stores and 2000 staff in Australia, 16 outlets in New Zealand and 14 in the UK and Poland.

Based on the World Manager software platform, TCS’ system will be progressively unveiled to franchisees over the next eight months by an in-house project team. It is expected to supersede an intranet that to date has been the company’s repository for recipes, operations manuals and other corporate documents.

The term “enterprise social” is used to refer to a social networking layer, on top of traditional collaborative tools in a business environment. Features typically include: document sharing, updated posts, blogging and the ability to create shared spaces and Facebook-style online communities.

Gartner anticipates global spending on enterprise social software will reach \$1.08 billion in 2014 while IDC predicts the market will be worth \$4.5 billion by 2016.

Vendors, including Microsoft-owned Yammer, Salesforce-owned Chatter, Jive, Telligent and IBM, compete in the space. Start-ups abound and the sector is yet to produce a clear market leader.

TCS national marketing manager Peter Dable said the system would enable the company to deliver consistent induction and training programs online to new staff.

Previously, training was the responsibility of franchisees and some did it better than others, according to Mr Dable: “There’s a feeling this hasn’t been executed well through all stores.”

The system will open a two-way channel of communication with staff as well as store owners, which will replace newsletter bulletins and a closed Facebook group.

Most workers are expected to access the system via mobile device.

Other franchising heavyweights are already reaping the benefits of two-way communication with their teams.

Since April last year, franchisees and employees of The Coffee Club (TCC) have been chewing the fat at The Clubhouse, the company’s customised version of World Manager.

TCC has 258 stores in Australia and 66 overseas outlets and around 5100 staff, including head office personnel, franchisees and their teams.

TCC operations services manager Ross Caldwell says The Clubhouse is a one-stop shop for sharing files and manuals, delivering online training and enabling two-way communication between head office and stores.

Business benefits include generating rapid feedback on special offers and driving sales by promoting friendly competition between franchisees.

The system has also drawn front-of-house and kitchen staff into the loop for the first time. Opportunities for them to provide feedback or engage in conversations were limited in the past, with many head office emails going to franchisees only.

Café workers have become the most frequent patrons of The Clubhouse and log in an average of four times a week. Around half access the system via mobile device.

“We want to start to remove the need for email and have [The Clubhouse] as a one-stop place to go,” Caldwell said.

“If you have an employee base of a lot of Gen Ys, you need to be on board with technology.”

Universal adoption may not occur overnight though. Caldwell acknowledges that some of TCC’s older franchisees aren’t big users and have indicated they’d prefer to receive communiques via email, as well as via The Clubhouse.

Franchising specialist Michael Sherlock, an adjunct professor at Griffith Business School and former managing director of the Brumby’s Bakery chain, said the sector has been slow to adopt new technology historically.

Many franchise businesses tried to do their own IT developments in-house rather than working with partners, Sherlock added.

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