

Steps to implementing a successful DEI strategy in franchisor operations

“We’re leaning into the right, tough conversations to solve DEI together, alongside our franchisees.”

--Maura McVey, Chief Human Resources Director, Tide Cleaners

[Tide Cleaners](#), America's leading dry cleaning service franchisor, has been actively promoting DEI (Diversity, Equity, and Inclusion) initiatives across its 190+ nationwide franchises. With diverse advertising, accessible franchise ownership, and inclusive talent recruitment campaigns, their DEI journey is still ongoing, driven by a commitment to continuous improvement.

The above case study raises the question: "Why is DEI so crucial in the franchisor's corporate ecosystem?" [McKinsey](#) data provides the answer, highlighting a 35% improvement in financial performance when diversity is prioritized. Beyond that, embracing DEI fosters a vibrant culture that fuels innovation, enhances decision-making, and better serves diverse customers.

With this understanding, it's evident that the commitment to DEI is not merely a corporate responsibility; it is a strategic imperative that fortifies the franchise network. In this blog, we'll explore a few pragmatic approaches franchisor businesses must implement to actively promote and nurture this culture.

What is DEI, and why is it important for franchisors?

DEI emphasizes creating an inclusive environment that values and respects individuals from diverse backgrounds, ensures equal opportunities, and fosters a sense of belonging for all employees and stakeholders.

For franchisors, implementing DEI practices promotes a culture of fairness and equality, which leads to increased employee satisfaction, productivity, and retention. When franchisees and their teams feel valued and supported, they are more motivated to deliver exceptional customer experiences and drive business success. Moreover, embracing DEI expands the franchisor's market reach and relevance. By promoting diversity and cultural sensitivity within their franchise network, franchisors can attract a broader customer base and enhance their brand reputation.

Step #1 Assess the current state

Before implementing a DEI strategy, it's crucial to understand the current state of diversity, equity, and inclusion within your organization. This involves an in-depth analysis of your franchisor business' existing demographics and policies.

Begin by analyzing the demographics of your employees, leadership team, and franchise owners. Look at race, gender, age, and disability status. This will give you a clear picture of your organization's current state of diversity.

Next, evaluate your existing policies and practices. This can be achieved by asking, "Are there any policies that could exclude certain groups?" Are the hiring practices suitable for a diverse range of candidates? This assessment will allow you to identify potential barriers to diversity and inclusion within your organization.

Collecting this information will establish a baseline against which you can measure the success of your DEI initiatives. It also provides a starting point to formulate your DEI strategy.

Step #2 Set clear DEI goals and objectives

After assessing the current state of your organization, the next step is to establish clear, actionable goals and objectives for your DEI strategy. One effective way to do that is to make them SMART (Specific, Measurable, Attainable, Relevant, and Time-bound).

- **Specific**

In the US, out of 100 men only [87](#) women are promoted in senior leadership roles. If your business is also experiencing a similar gender disparity, then don't settle for a vague goal like "increasing women leaders diversity." Instead, establish a specific target such as "increasing women leaders by 10% in the next year." This approach ensures a more focused and measurable objective.

- **Measurable**

It's essential that you can track your progress, so goals should be measurable. For instance, you could measure the success of your diversity recruitment strategies by tracking the percentage of new hires from underrepresented groups.

- **Attainable**

Goals should be realistic and attainable. While it's good to aim high, setting unachievable goals can demotivate your team.

- **Relevant**

Your DEI goals should align with your overall business objectives. If your business is focused on expanding into new markets, a relevant goal might be to increase linguistic and cultural diversity within your team.

- **Time-bound**

Finally, your goals should have a deadline. This creates a sense of urgency and motivates the team to take action.

Step #3 Develop an inclusive culture

Once you have clear DEI goals and objectives in place, the next step is to build an inclusive culture that attracts diverse talent and ensures that all individuals feel valued, respected, and empowered to participate fully. Research shows that inclusive teams achieve a success rate of [87%](#) in making business decisions. Here are some strategies to implement inclusivity.

1. Recognize and remove bias

Bias, both conscious and unconscious, can hinder inclusivity. They can potentially limit the diversity of franchisees, hamper innovation, and inhibit the ability to connect with a broad customer base. To combat this, start by educating your team about the different biases and their impact on decision-making, franchisee selection, and customer interactions. Also, review your policies, procedures, and practices to identify and eliminate systemic biases (such as pay inequality or promotion bias).

2. Practice inclusive leadership

In a franchisor business, inclusive leaders can build an environment where all franchisees, regardless of their background, feel a sense of belonging. They can proactively engage with diverse franchisees to understand their unique perspectives. Leaders should be trained to be inclusive and model inclusive behavior in their interactions.

Step #4 Ensure transparency about demographics and salary

Transparency signals a franchisor's commitment in establishing and maintaining trust in any DEI strategy and enables stakeholders to monitor and evaluate progress. Following these steps franchisors can promote a transparent environment.

1. Publish diversity and inclusion reports

Releasing public reports on diversity and inclusion allows both internal and external stakeholders to measure where the company stands in terms of DEI. For franchisor businesses, these reports can cover the diversity of franchise owners, corporate staff, and other key demographics. This transparency holds the organization accountable for its DEI goals. [Delightree](#) workflow solutions can play an integral role here. By streamlining operations, training, checklists, and compliance, [Delightree](#) can help franchisors track and demonstrate their DEI progress across their networks, accelerating their DEI objectives.

2. Offer salary ranges

Salary transparency is an effective method for combating pay inequity, a critical aspect of the 'equity' component in DEI. For franchisors, this involves providing guidance on salary ranges to franchisees and ensuring equitable compensation practices across the network. By being open about pay, companies can help reduce wage gaps and demonstrate their commitment to fair compensation, irrespective of an employee's gender, race, age, or other characteristics.

Step #5 Shift from mere words to meaningful actions

[SHRM's](#) report indicates that 71 percent of employees agreed that their organizations were lagging toward DE&I goals.

Discussing DEI is not enough; real change comes from implementing actionable strategies. Collaborating with organizations like the [Center for Respectful Leadership](#) or the [Center for Creative Leadership](#) can get your DEI initiatives in motion with transparency. Other actions can be:

1. Training and development

This involves providing continuous learning opportunities for franchise owners, managers, and employees that focus on the importance and benefits of DEI. This could include unconscious bias training, leadership training on how to build and manage diverse teams, or workshops on inclusive communication. It's crucial to make this training specific, applicable, and interactive to make it effective.

2. Monitoring and accountability

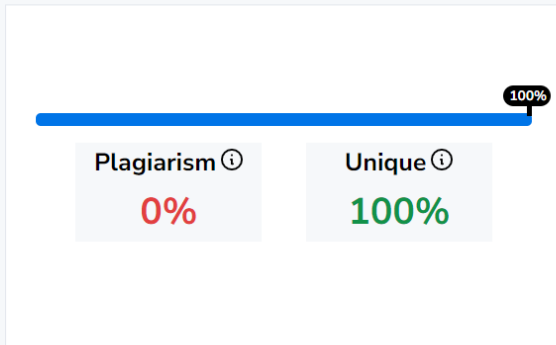
Holding franchisees and the corporate team accountable for meeting DEI goals is essential. This could involve regular check-ins, progress reports, and perhaps even tying DEI objectives to performance evaluations or compensation.

Franchisors can use tools like [Delightree](#) to track DEI initiatives, monitor progress, and ensure compliance with DEI policies across all franchise locations. This kind of accountability promotes a culture where DEI is not just a 'nice-to-have' but a fundamental component of the franchisor's business strategy and operations.

The real meaning of implementing DEI for franchisors

Implementing DEI for franchisor businesses means building a network that reflects the diversity of the communities they serve, ensuring fair opportunities and treatment for all. It is the holistic transformation of their entire franchise ecosystem. This requires a commitment to continuous learning, self-reflection, and adaptation. Franchisors need to create a franchising community that celebrates diversity, promotes fairness, and cultivates an environment where every franchisee can thrive and contribute to the collective success of the franchise system.

Result



Extra Word Count Statistics

Syllables	1700	Average Sentence Length (word)
Sentences	67	Syllables Per Word(s)
Unique Word(s)	393 (47%)	Paragraph(s)
Average Word Length (characters)	5.8	Difficult Word(s)
Reading Time	5 mins	Speak Time

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close

Extra Word Count Statistics

Syllables	607	Average Sentence Length (word)
Sentences	20	Syllables Per Word(s)
Unique Word(s)	179 (61%)	Paragraph(s)
Average Word Length (characters)	6.1	Difficult Word(s)
Reading Time	2 mins	Speak Time

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