

Case Study: College Pro and AME Learning's eLearning program

Snapshot: College Pro was founded in 1971 and is now North America's original and most successful student painting and window cleaning company. Each year, in communities throughout North America, College Pro franchisees paint and clean the windows on an average of 25,000 homes.

Situation: College Pro is trying to build on a foundation of financial literacy for franchisees and general managers. When College Pro hires franchisees, they act as their own contractors. These 18 to 24-year-olds are mainly full-time students returning to school in the fall. All franchisees are required to complete a financial literacy course, a nominal incremental fee of which is included in their franchise fees.

College Pro's franchisee training needs to address three distinct periods:

- **Startup, February to May**

During this phase, franchisees incur some upfront costs. Training needs to explain the nature of these costs. Here is where they learn about balance sheets and income statements.

Also in this phase, franchisees take money from customers. If franchisees end up not performing the job, they have to return the deposit. If they do perform the job, they need that cash to fund initial expenses relating to the job. During startup, franchisees learn that the cash from customers is not theirs to keep.

- **Operations, May to mid-September**

During this period, franchisees learn how to handle payroll, negotiate the ins and outs of buying supplies, handle oversupply of paint (e.g. if they buy paint in June but do not use it until July), and remit taxes.

- **Closedown, September to October**

During this period franchisees need to pay off credit cards, remit any outstanding funds to College Pro, and bring a "clean" close to the business for the season.

Franchisee training goals:

- **Increase franchisees' direct financial literacy and profitability.** College Pro encourages successful franchisees to return the following year. At present, 35-40% choose to come back. Part of the goal is to encourage a positive experience for franchisees so they do return.
- **Help the general managers increase their literacy** and contribute to the overall profitability of the franchisees.

Problem: Lack of financial learning and training.

Franchisees have limited financial acumen and understanding of how actions affect the bottom line (i.e. cash flow, budgets, royalties, P&L, taxes).

According to April Broome, Director of IT and North American Controller for College Pro, "Franchisees (who are full-time students) set up and run their own business, set up the financials, sales and marketing. *One of the things they don't get in school is a lot of financial learning. We need to teach them that, since for many this is their first job.*

"Some of the franchisees wonder where all their money has gone by the end of the summer. We've heard them say, 'we've made X dollars and we have X in the bank, where has the money gone?' We needed something to help them keep track of their finances."

Problem: No "real world" financial focus.

Until College Pro adopted AME Learning's e-solution, franchisees were exposed only to theoretical accounting knowledge. "It was like going to university," says Broome. *"You sit in class and you learn a lot, but if you don't get to practise it, the principles do not take hold. Our observation was that franchisees weren't getting enough training. We needed to be proactive and help them out more."*

Solution: AME Learning's fully custom eLearning course: finance for franchisee owners/managers.

AME Learning was recommended by College Pro's CEO to develop a unique solution for the company. AME's team of course developers and instructional designers developed a fully-customized eLearning solution, working closely with College Pro to ensure a cultural and financial fit with their unique needs.

What Makes AME Stand Out: Finance Principles Brought To Life

In the past, College Pro franchisees were shown a PowerPoint presentation, designed by College Pro, on how to handle financials. The emphasis was on theory with no real world examples. AME teaches franchisees the meaning of the financing principles.

Benefits:

For students:

- ✓ **Ease of use.** Students can learn online at their own pace, access lessons at any time, and revisit lessons whenever they need to refresh their financial knowledge.

The franchisee simply creates a user name and password, followed by a brief tutorial, broken down into three specific time frames, which comes with notes explaining each area. On completion, franchisees receive a pass or fail, and they have the opportunity to take the course again.

- ✓ **"Real world" examples.** With AME's different approach to learning, students can combine accounting principles with practical experience. AME's eLearning solution has the students do actual transactions to support the theoretical training.

For example, with the first transaction, franchisees put money in their bank account. The program then tells them if they have done this correctly before they can move on to the next lesson, on debits and credits.

Says Broome, *"With this software, learning can be transferred to anything they (franchisees) do in life."*

- ✓ **Interactive tools.** AME Learning's patented interactive tools are extremely appealing and user friendly. AME's approach encourages franchisees to make financial principles part of their daily lives.

For College Pro:

- ✓ **Complete customization.** AME Learning tailored the eLearning course to the specific needs of this unique franchise company.
- ✓ **Unparalleled support.** "They are very good at working at what my needs are," says Broome. "I had a couple issues in the beginning, and they were very attentive. Neville Joffe wanted the course to be just right, so he put me in touch with the developers. We had 5 to 10 meetings with them, plus a lot of emails. Any questions were answered right away."

Measuring success: (more information available by mid-November)

- Completion rate. 60 or 80 of College Pro's 500 franchisees took the course, introduced in 2010.
- At the end of the year, College Pro will be able to measure the profitability of the franchisees, how AME's course has helped them understand financial principles.

After this year's introduction of AME's eLearning course, College Pro will introduce multiple training sessions in 2011.

Franchisee comments:

"The course was really good and helped me understand the business better."

"I really appreciated this course; my learning increased."