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HUMAN RESOURCE MANAGEMENT CHALLENGES

FACING FRANCHISE BUSINESSES

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Human Resource Management Challenges Facing Franchise Businesses

Purpose: This research aims to extend the current understanding of human resource management challenges facing franchise businesses.

Design/methodology/approach: A qualitative investigation, including eight in-depth interviews and 66 semi-structured interviews with various franchise stakeholders as well as 42 participant observations, was conducted in North America to answer the research questions.

Findings: Six major conclusions emerged from the conceptual and empirical work. The findings, for instance, reveal that human resources in franchise businesses lacks in motivation and skills, and franchisees' distance from the ideal mix of autonomy and risk-aversion determines psychological and financial distress in the system.

Practical implications: The findings suggest that when firms choose the franchising path as a means of leapfrogging resource constraints, they will experience new and more challenging HRM complications for several reasons. Therefore, decision-makers at both franchisor and franchisee firms need to address these new HRM challenges proactively by recognizing their possibility and emergence and by engaging in cooperative learning with one another.

Originality/value: While HRM practices can "make or break" franchise systems, some important research questions still remain unanswered in this context. In an attempt to narrow this gap, and using a qualitative approach, this work identifies and classifies the key HRM challenges facing the franchise industry. Based on the finding, a conceptual model is proposed and discussed.

Keywords

Human resource management; Franchise; Autonomy; Risk-aversion; Motivation; Skills

Human Resource Management Challenges Facing Franchise Businesses

1. Introduction

Franchising is a form of business by which the owner (franchisor) of a product, service or method obtains distribution through affiliated dealers (franchisees). Franchising plays a significant role in economic development (Carlson, Upton, & Seaman, 2006; Dant, 2008; Elango & Fried, 1997; Michael, 2014). In the United States alone, the number of franchise establishments are estimated to grow by 1.9% to 759,000 locations in 2018 (International Franchise Association, 2018). Franchise industry overall supports nearly 18 million jobs while direct franchise employment is expected to increase to 9.1 million workers, outpacing economy-wide employment growth. Further, franchise businesses have directly and indirectly contributed $2.1 trillion in to the US economy, then the direct output of franchise businesses in nominal dollars is projected to increase 6.2% in 2018 to $757 billion. Moreover, the gross domestic product (GDP) of the franchise sector is expected to increase by 6.1% to $451 billion in 2018, contributing approximately 3% of US GDP in nominal dollars.

Generally speaking, in a franchise relationships, one party (the franchiser) grants another party (the franchisee) the right to use its trademark or brand name as well as certain business systems and processes, to produce and market a good or service according to certain specifications in return for a monetary consideration. The franchisee usually pays a one-time franchise fee plus a percentage of sales revenue as royalty, and gains immediate name recognition, tried and tested products, standard building design and décor, detailed techniques in running and promoting the business, and ongoing help in promoting and upgrading of the products. A franchise relationship is legally bound by a contract between a franchisor and a franchisee know as a “franchise agreement”. In a franchise agreement, franchisor and franchisee are legally independent entities (i.e., businesspersons), and franchisees are solely responsible for the management and successful operation of their own businesses. It is important to note that a franchise contract is temporary, akin to a lease or rental of a business, and does not signify business ownership by the franchisee.

While all small businesses rely on their employees to succeed, franchise businesses, due to their hybrid form of organization (both a combination of hierarchical and market governance and a strong contractual orientation), may even face more substantial challenges in devising and implementing their human resource management (HRM) policies and practices. As noted, franchise industry employs a sizeable portion of human resources in developed and developing countries, and the sheer number of people employed or expected to be employed by franchisors and franchisees qualifies these enterprises as a central context of exploration for HRM scholars and practitioners alike. While previous research suggests that there is considerable diversity amongst small- and medium-sized enterprises (SMEs) in their use of HR practices (Cassell *et al.*, 2002), HRM is still regarded as an important function and a key determinant of success in SMEs (Sels *et al.*, 2006; Teo, Le Clerc, & Galang, 2011; Zheng, O'Neill, & Morrison, 2009), especially in retailing and service industries (e.g., Brand & Croonen, 2010; de Kok, Uhlaner, & Thurik, 2006). Further, HRM has been introduced as an essential indicator of growth potential in franchise firms since their inception (Oxenfeldt & Kelley, 1968). Although HRM practices might not be directly visible to the end-users of products and services, they can "make or break" franchise systems in their role as a key managerial and operational business infrastructure (Brand & Croonen, 2010).

Several studies have investigated different aspects of HRM in franchising contexts. For instance, Ji and Weil (2015) examined how franchising affects compliance and found that franchised outlets have far higher levels of noncompliance than comparable company-owned establishments. Freedman and Kosová (2012) examined the relationship between employee supervision and compensation in the hotel industry, in which many chains have both company managed and franchised properties. In a study within the automotive franchise, Truss (2004) investigated how inter-firm relationships between a franchisor and its franchisee can both directly and indirectly influence the employees' experiences of HRM at the franchise unit. Litz and Stewart (2000) tested the effects of employee training and franchise membership on small firm performance and found that performance improvement made by franchisees' training programs was not significantly better than that of independent stores. In another study, Weaven and Herington (2007) found that less mature and smaller franchise networks rely upon predominantly single unit franchising strategies and less sophisticated HRM practices whereas more mature systems use hybridized franchising forms and sophisticated HRM strategies to accommodate system-wide adaptation and system uniformity. Similarly, de Kok and Uhlaner's (2001) study revealed that small companies that work closely with a larger company (e.g., as a supplier, customer, or franchiser) usually implement more formalized HRM practices than those companies that lack such an association. Further, Kellner *et al.* (2001) explored the degree of HRM support provided to franchisees and found that risk-driven strategic choices by franchisors influence the strength of support provided; if the goal is to avoid any liability or legal action, the franchisor minimizes involvement with franchisees in HR matters, but when the main goal is to protect the brand, the franchisor follows a highly centralized approach and offers more comprehensive HR support to franchisees. In another work, Cappelli and Hamori (2008) found that although franchise businesses used "low-road" employee-management approach (e.g., low investment in training, deskilling of work), once industry, size, and other control variables were accounted for, these franchise operations appeared to offer better jobs with more sophisticated systems of employee management than did similar non-franchise operations. In a recent study, Kellner (2017) found that HRM in franchise organizations encompass two separate, but potentially overlapping systems that may or may not align: a system with core elements managed by franchisor and one with peripheral elements managed by franchisee. Similarly, López-Bayón and López-Fernández (2016) found that HRM is usually regarded as a peripheral element by franchisors and their study revealed that delegating decision rights on personnel reduces early terminations, regardless of the size of the franchise system.

Despite these remarkable insights, some important research questions still remain unanswered in this context, especially with regard to the role and experiences of franchisees (Kellner, 2017). For example, how does the lack of HRM standardization influence the extent and quality of HRM in franchise systems? How do human resources and HRM vary across different organizational layers of franchise organizations? How do human resources in franchise systems compare against human resources outside the franchise industry? These and similar questions constitute important knowledge gaps not only in the more specific domain of HRM in franchise industry, but also in franchising research in general. We aim to address three of these gaps by investigating key HRM challenges that the franchise industry faces at both macro and micro levels of analysis. Specifically, we pursue the following research questions: (a) What characterizes human resources in general vis-a-vis human resources within the franchise industry? (b) How do human resources compare inside versus outside the franchise industry? (c) How do human resources compare across the different organizational layers of franchise organizations? Given the open-ended nature of these questions, we hope to arrive at a rich and nuanced thematic variation, which requires reaching data saturation (Fusch, Fusch, & Ness, 2017). Answering these questions, therefore, calls for a research method that can enable us to strive for data saturation, which in turn will support a thematic analysis and identification of important domains, categories, and factors at play within a particular scholarly area. We choose mini-ethnography, a qualitative research design that befits our research purpose and questions. Providing exploratory answers to our questions will lead to substantive conclusions and research directions, which will ultimately facilitate strategy implementation in franchise organizations. Moreover, as Castrogiovanni and Kidwell (2010) argue, franchising research that distinguishes the core elements of a business format (which should be standardized across units) from peripheral elements (which can be adapted to fit local conditions) has the potential to provide insights on the limits to desirable support and standardization in other HRM contexts. In these ways, franchising could prove to be a fertile context for examining key HRM issues in general.

We first review existing knowledge pertaining to HRM practices in franchising and then present the design, implementation and findings of our mini-ethnography. The paper concludes with discussion of findings, research contributions and practical implications, research limitations as well as directions for future research.

2. Conceptual Background

Two dominant theoretical frameworks have been used to investigate the nature and dynamics of franchise systems and answer the aforementioned research questions: *resource constraint theory* and *agency theory*. According to resource constraint theory, firms that enjoy adequate potential for growth but suffer from grueling capital, labor and managerial constraints might consider franchising their business model in order to expand in a timely and profitable manner (e.g., Brickley, Dark, & Weisenbach, 1991; Combs & Castrogiovani, 1994; Dant, Paswan, & Kaufmann, 1996; Oxenfeldt & Kelly, 1968). After a period of time when the franchisor firm feels less constrained in terms of capital, labor and managerial talent, it might be motivated to take over some or all of their better performing franchisee units and thus maximize its ownership over the ongoing business. Predictions of the negative effects of resource constraint theory have generally received little empirical support, and even longitudinal and meta-analytical studies have indicated that ownership redirection is more an exception than the rule (e.g., Dant *et al.*, 1996).

In comparison, agency theory suggests that two sources of uncertainty in the principal-agent (e.g., franchisor-franchisee) relationship influence the quality and outcomes of the relationship: adverse selection and moral hazard (e.g., Alchian & Demetz, 1972; Bergen, Dutta, & Walker, 1992; Dant, 1995; Shane, 1996). Adverse selection occurs when the franchisor is unable to ascertain one or more of the following: franchisee's skills, knowledge, and motivation and the contingencies that can influence the franchisee's performance (Holmstrom, 1985). For example, the franchisor might inadvertently sign contracts with prospective franchisees that are highly entrepreneurial and thus rebellious against franchisor's business model and operational imperatives. Moral hazard, on the other hand, emerges when the quantity and quality of the franchisee's efforts are difficult to verify and, thus, standards of practice are non-enforceable and meaningless (Pauley, 1974). For instance, a (disgruntled) franchisee might underreport its revenues, reticently purchase materials from alternative vendors, or file a lawsuit against the franchisor in the anticipation of some sort of monetary or contractual gain. In general, as the individual transitions from being an independent entrepreneur to serving as a franchisee of another firm (i.e., of a franchisor), the individual is more likely to become relatively more amenable to the notions of adverse selection and moral hazard. Alternatively, if a franchisor employee transitions from being an employee to serving as a franchisee, the individual likely becomes relatively more immune to the two sources of uncertainty in principal-agent relationship. This latter transition, however, might also carry some negative byproducts (e.g., the individual might see and take advantage of opportunities to shirk and free-ride on the thriving performance of other units in the network).

Both of these theoretical frameworks highlight the role of HRM in franchise settings. de Kok *et al.* (2006) utilize both resource constraint theory and agency theory to identify and examine the reasons underlying small businesses' desire for lower levels of HRM intensity. They find support for both theories. Consistent with resource constraint theory, firm size and organization complexity appear as important determinants of HRM intensity (smaller firms exhibiting lower levels of HRM intensity). Consistent with agency theory, small businesses that often represent family owned-managed firms face lower need than larger firms to formalize and standardize their HR practices. As a result, small businesses exhibit lower levels of HRM intensity.

Brand and Croonen (2010), too, draw on both resource constraint theory and agency theory to compare franchised units against company-owned units in terms of HRM intensity and firm performance. They define HRM intensity as "the extent of use of a set of HR practices that cover all major HR domains as identified in mainstream HR research," and as intimately linked to formalization and standardization of human resource practices (p. 610). Brand and Croonen (2010) argue that franchisees are contractually empowered to make their own HRM decisions because so doing can (a) reduce their resistance to franchisor's highly standardized business package and (b) facilitate their attainment of an ideal fit with their local markets. They use the two theories to develop competing hypotheses regarding the effects of lack of HRM standardization. According to resource constraint theory, lack of HRM standardization makes franchised units prone to the minimizing investment in human resources and renders them less likely than company-owned units to desire HRM intensity. Lower investment in human resources, in turn, leads to inferior firm performance. Agency theory, on the other hand, predicts that franchised units exhibit higher levels of human resources' motivation and skills and, thus, superior firm performance relative to company-owned units. Brand and Croonen's (2010) empirical study provides partial support for both theories. They find higher levels of HRM intensity among company-owned units (consistent with resource constraint theory) and more favorable performance indicators for human resources in franchised units (predicted by agency theory). Additional support for the link between human resource practices and firm performance are provided by Carlson *et al.* (2006), who consider the effects of several human resource practices including training and development, performance appraisal, recruitment compensation package, ongoing compensation, morale maintenance, and cash incentive. They find each of these factors to have a positive impact on performance.

Hoffman and Preble (2003) employ resource constraint theory to examine the consequences of conversion franchising, defined as adding "new franchisees to the system by recruiting existing independent businesses or competitors' franchisees" (p. 188). They provide empirical support that franchisors can enjoy experience and skill advantages when they successfully convert independent businesses or competitors' franchisees to their own system, with the advantages rooted in the converted human resources' experiences and skills that accompany them into the new system. Since conversions occur within the same type of business, or across highly similar businesses, the tacit and technical knowledge and skills of the newly added HR are often beneficial to the acquiring franchisor.

In sum, three key conclusions emerge from the reviewed literature: (a) HRM intensity is relatively lower among small businesses including franchisees; (b) HRM intensity is positively associated with performance in larger firms; and (c) there are mixed results as to the effect of HRM intensity on the performance of small businesses including franchisees. While Brand and Croonen (2010) show that human resources in franchised units (lower HRM intensity) outperform those in company-owned units (higher HRM intensity), Carlson *et al.* (2006) show that implementation of common human resource practices (higher HRM intensity) results in superior performance among family-owned small firms. Similarly, Sels *et al.*'s (2006) study reveal that HRM intensity in small businesses enhances both their productivity and profitability. In fact, Faems and colleagues (2003) argue that the contribution of single human resource practices on profitability should be interpreted with caution, and that such effects are usually poor when overall HRM intensity is controlled for. The extant understanding of HRM in the franchise industry is limited to the topics reviewed above. Therefore, using both resource constraint theory and agency theory, we conducted an exploratory study to better understand the challenges facing various franchise stakeholders and to offer research agenda to validate the initial findings generated by this work.

3. Method

The empirical study was a mini-ethnography. A qualitative design such as mini-ethnography is suitable when researchers seek to answer open-ended questions by developing a rich and nuanced thematic variation (Fusch *et al*., 2017). Given the deep-seated and open-ended nature of our research questions, we shall aim at identifying themes and categories and exploring the basic interplay among them. So doing can provide impetus for further research on the topic using various research methods. Mini-ethnography is the qualitative research design that befits our research purpose and questions.

Identified as one of the fastest growing qualitative research designs in the twenty-first-century, a mini-ethnography is essentially an ethnographic approach that is bounded within a case study protocol to make it more feasible and less time-consuming than full-fledged ethnographies (Fusch *et al*., 2017). Mini-ethnographies are ideal when the research team desires a rich and nuanced thematic variation that requires data saturation, but does not have the time, resources, and/or inclination to develop a truly ‘thick’ description of the people, group, or community under investigation (Storesund & McMurray, 2009). It is an adaptation of traditional ethnography that is particularly suitable when the field researcher is focused upon a specific or a narrow area of inquiry (White, 2009).

Since we aimed at understanding the characteristics of human resources inside, outside, and across various layers of franchise organizations, and given our desire to develop a thematic variation of those characteristics, we needed a sampling approach that would not only give us access to individuals, but also enable us to perform semi-participatory observation of professional events (Pratt, 2008). The people we would sample from comprised a loosely-knit group of geographically-scattered and difficult-to-reach adults who represented the professional franchise community because they shared a socially constructed set of values and norms that governed their practice. The events, on the other hand, were venues where these professionals interacted with one another or with other individuals who had been contemplating entering the franchise community. To facilitate this twofold sampling strategy, the mini-ethnography was conducted in collaboration with a franchise consulting firm, hereafter the client, which helped secure entrée into the franchise community of North America, create a working rapport with potential participants, attend professional events, and engage in participatory, interactive data collection over an extended period of time. A majority of participants were concentrated in Dallas-Fort Worth Metroplex area. Table 1 provides the profile of the participants of in-depth and semi-structured interviews. To protect their privacy, each participant was given a pseudonym prior to the interview. The pseudonyms, rather than actual names, are used throughout this paper.

----------*Insert Table 1 here*----------

The mini-ethnography consisted of 42 participant observation reports of franchise seminars, eight in-depth, non-structured, non-directed interviews with various franchise stakeholders, and 66 semi-structured, semi-directed interviews with those stakeholders. While each observation was conducted by a team consisting of the first author and graduate students, the interviews were all performed by the first author. Under each method, data collection continued well beyond the plan because new incoming data kept producing considerable thematic variations that could enrich and deepen the data set.

The client sponsors seminars to raise public awareness about the possibility of self-employment as a franchisee. These seminars bring together a variety of individuals with different ethnic, age, gender, social class, education, and career identities. A total of 42 participant observations of 11 seminars were conducted. Observations were scattered over a period of 13 months. The duration of observations ranged between 95 and 145 minutes and the total time spent observing was over 87 hours, corresponding to a total of 336 single-spaced pages of data. The observations were particularly helpful in familiarizing us with franchising in general, some franchise stakeholders, and the services the client provides to franchisees and franchisors.

The client helped the researchers secure entrées to the franchise community by allowing them to attend the seminars and introducing them to potential research participants. We intercepted some individuals during the seminars, contacted the individuals introduced by the client, and further snowballed additional participants using our newly formed network of franchise stakeholders. Through this process, the researchers conducted and transcribed all of the 8 in-depth interviews, two of which were face to face and the remainder over the phone. The client reviewed and confirmed the in-depth interview guide, which gave an overview of the research purpose and followed with 3 questions dealing with human resource issues, each further supplemented and nuanced by contingent follow-up questions and probes. The three main questions included: (a) Please speak about the importance of human resources in your business; (b) Please speak about the importance of human resources in the franchise systems where you have been involved; and (c) Have you had experiences with human resources in non-franchise businesses? If yes, please compare franchise and non-franchise businesses in terms of human resources and human resource management. Follow-up questions and probes were improvised given the flow of specific interviews/participants and, therefore, were not always repeated across interviews. These interviews helped determine the nature of open-ended questions that would be asked in subsequent semi-structured interviews. The in-depth interviews contained very broad, grand-tour questions in order to create a holistic understanding of relevant issues and experiences. The goal was to situate self-employment as a franchisee in the broader life project of the individual and tap the related meanings and experiences with respect to human resources and their management. We endeavored to create a strong rapport and affable conversation and narration. Participants included 3 franchisees, 2 franchisors, 2 franchising consultants, and a journalist knowledgeable in this domain. The duration of these interviews ranged between 65 and 95 minutes and the total time spent interviewing was approximately 10.5 hours, corresponding to a total of 168 single-spaced transcript pages.

Of the 66 semi-structured interviews, 33 were over the phone and 33 face to face. As shown in the Appendix, the interview protocol used for these interviews was more structured and drew heavily upon the findings from the 8 in-depth interviews. The client reviewed and confirmed the semi-structured interview protocol. The semi-structured, semi-directed nature of these interviews enhanced consistency of conversations and probes across the 66 interviews. These interviews were conducted over a period of 7 months during which 31 franchisees, 18 franchisors, 4 attorneys practicing in this domain, 8 franchising consultants, 2 financial/accounting advisors, 2 employees of nonprofit institutions, and 1 journalist familiar with franchising topics were interviewed. The duration of these interviews ranged between 34 and 52 minutes. The total time spent interviewing approximately 52.5 hours, corresponding to a total of 663 single-spaced transcript pages.

4. Analysis

The multiple sources of collected data was subjected to thematic analysis (Fusch *et al*., 2017) in order to outline the thematic variation undergirding our specific area of inquiry, and to also dig deeper towards creating a rich and nuanced account of human resources in human resource challenges facing franchise businesses (Schensul, Schensul, & LeCompte, 1999). The strength of thematic analysis lies in its ability to identify the substantive domains, categories, and factors that are integral to the researcher's area of interest. The analysis consisted of three stages: identification of emerging themes, coding of the data set, and final analysis and write-up. The first two stages were performed by the researchers and an independent third party with a graduate degree in applied anthropology and intensive training and experience with various qualitative research traditions, especially mini-ethnography. The rationale for engaging this independent coder in the data analysis was twofold. First, her unfamiliarity with the topic of franchising could provide a fresh, etic perspective, which in turn would complement and offset the researchers' interpretation, which would inevitably be informed by their extensive teaching and research background in the area of marketing channels in general and franchising in particular. Second, a comparison of the interpretations would underscore the validity of the themes identified by the researchers with expertise in this domain. The third stage was performed solely by the researchers.

In the first stage, we perused the transcripts and reports several times independently in order to create a general understanding of the data and identified emerging themes by noting instances, and patterns. We met periodically and cross-checked our tentative lists of emerging themes. These meetings indicated that the lists contained more or less the same themes and a majority of differences were semantic in nature (i.e., we had used different labels to designate the same themes). At the end of each meeting, we resolved our conceptual and semantic differences. Most themes were sometimes raised by participants and sometimes probed by the researchers. To expose the intra-theme probed-versus-nonprobed differences, we decided to maintain two different codes for each of such themes. In other words, if a specific theme was emerged in both probed and nonprobed conditions, two different (but relevant) labels were used, enabling us to trace it back to the source and determine its substance (i.e., a nonprobed theme is more reliable compared to its probed alternative).

In the second stage, the entire dataset was coded using Atlas.ti 5.0, a software program used to organize, code, and sort large quantities of textual data. Additional themes kept emerging as the analysis progressed, signaling increasing understanding of the phenomena and the data. In the third stage, we developed a thematic outline and created a separate computer file for each theme. We then reviewed the transcripts and augmented each theme file with pertinent supporting or contrasting data. Once the theme files were populated and complete with all of their related quotations, the pool of files was organized into families of themes. Each family of themes was printed, analyzed, and reported in connection with the remainder. Figure 1 is a partial illustration of the analytic path in this research. It provides one of the several code trees that resulted from the thematic analysis, along with representative excerpts from field notes and in-depth and semi-structured interviews. The figure also provides an example for first-order codes for each group of stakeholders, second-order codes (initial codes for theoretical categories), and the aggregate dimension for the significance of general economy in this context. The iterative analysis and systematic coding over an extended period of time resulted in a reasonably comprehensive use and interpretation of the data (Arnould & Wallendorf, 1994).

----------*Insert Figure 1 here*----------

Since the research draws on the experiences of different franchise stakeholders (i.e., franchisors, prospective franchisees, current franchisees, public and private brokers, consultants, attorneys, and associations), the findings qualify as a pluralistic view of HRM issues in the franchise industry. Two features of the data and our findings deserve particular attention. First, although various stakeholders had different and sometimes contrasting views on some of the HRM issues, the differences and contrasts actually complemented one another and helped us better encompass and articulate the meanings and boundaries of emerging issues. Second, while the data comes from individuals whose jobs were primarily within the franchise industry at the time of research, almost all of the participants had pursued careers outside franchising as entrepreneurs and/or corporate employees. Therefore, participants had realistic and reasonable frames of reference when comparing the franchise industry with other industries.

5. Research Findings

The data universally points to the critical role of HRM in the franchise industry. The following quote from Sebastian (franchisee, 53) who operates multiple stores is typical: "If the people ain't right on both ends of the channel, then you know, it's gonna fail." Two types of challenges emerge from the data: those pertaining to the franchise industry in general (i.e., environmental) and those peculiar to specific franchise networks (i.e., internal).

5.1. Environmental Challenges

Environmental challenges have implications for all franchise stakeholders including franchisors, prospective franchisees, current franchisees, and public and private brokers, consultants, attorneys, and associations. The encompassing nature of these challenges signals their legitimacy to attract immediate attention and motivate effective addressing. Discussions of HRM in the franchise industry were sometimes probed and sometimes initiated by participants. These two portions of data (i.e., probed and participant-initiated) produced comparable interpretations. The franchise industry comprises five distinct categories of human resources including (a) franchisor founders, (b) franchisor managers and employees, (c) franchisees, (d) franchisee managers and employees, and (e) brokers, consultants, CPAs, and attorneys. The first four of these categories comprise the four layers of human resources within typical franchise systems. A review of the literature indicates that the fourth and fifth categories have received the least relative attention among academics and practitioners.

Franchisor reps, attorneys, and consultants alike see an inverse relationship between the general state of the economy and the quantity and quality of labor pool available to the franchise industry. In economically booming years when employment in non-franchise firms rises steadily, people are reluctant to consider franchising as an employment option and firms are hesitant to expand by franchising. Therefore, the numbers of prospective franchisees and franchisors decline. In contrast, in economically failing years when people envision job insecurities with non-franchise firms, they are more likely to consider self-employment and firms are more enthusiastic to expand by franchising. In economically failing years, therefore, the number of prospective franchisees and franchisors increases.

Participants further contend that such fluctuations have a direct impact on the quality of labor pool entering the franchise industry. In other words, more layoff by non-franchise firms translates into higher-quality prospective franchisees and eventually higher-quality franchisees. In addition, the adoption of franchising by more and more non-franchise firms creates superior opportunities for prospective franchisees as well as individuals seeking employment with franchisors. Whether the inverse relation between the general state of the economy and labor pool available to the franchise industry is a fact or myth is an empirical research question that can be addressed in future research. However, based on our exploratory understanding in this study, we conclude:

Conclusion 1: There is an inverse relationship between the general state of the economy and the (a) quantity and (b) quality of labor pool available to the franchise industry.

Although not explicitly stated, a careful reading of the data indicates that various franchise stakeholders in our study assume a time lag with respect to the inverse effect of the general state of the economy on the franchise industry. For example, it might take several months or even a couple of years for massive corporate layoffs during a recessionary period to place a palpable impact on the quantity and quality of labor pool available to the franchise industry. Conversely, when the economy is booming and corporations expand their operations and open abundant positions to be filled by talented managerial and technical candidates, the flow of human resources from the franchise industry into other industries might be slow at the beginning and the industry might gradually begin to feel the subsequent lack of and need for human resources only after several months or even a couple of years into the booming period. Thus, the inverse effect of the economic climate on human resources in the franchise industry might accrue gradually and, as a result, a significant impact might be felt with a time lag. Because the issue of time lag is not explicit, there are no speculations regarding the nature and length of those periods. Therefore, we conclude:

Conclusion 2: The inverse effect of the general state of the economy on the labor pool available to the franchise industry is subject to a time lag.

Several participants demonstrate discontent with the quality of extant human resources in the franchise industry (in all of the five categories) and demand action plans to attract more qualified individuals and to provide educational and training programs. The participants suggest that action plans are needed to promote franchising among individual (i.e., potential franchisees or franchisee employees) and institutional (i.e., potential franchisor or franchisor executives) prospects with a special emphasis on its superiority over alternative business formats in terms of risk and success rate. The ultimate goal behind these action plans seems to be to rid the franchise industry from its current human resource calamity and to align the motivation and skills of the potential, incoming, and existing human resources, especially those in franchisee firms, with the nature, culture, and practice of franchising. These participants warn that palpable improvement in the long run is dependent upon such action plans. Orlando (consultant, 51) asserts:

> [Franchising] is a perfect business format unless there is inadvertent or deliberate abuse. There needs to be skilled people with integrity at the top. This is essential. People at [lower] positions should also have the required skills and integrity. There's need for much screening at the entry points and for training afterward…These principles hold in both franchisor and franchisee levels.

Participants who raised serious concerns regarding the quality of human resources in the franchise industry often drew on their concurrent or previous engagements in non-franchise businesses and industries, and compared the franchise industry with other industries of the economy. These comparisons, without exception, attributed a lower quality to and less satisfaction with the quantity and quality of labor pool available to the franchise industry. For instance, Wesley (franchisor, 43) offered the following comparison:

> Everyone knows that 'people' is the number-one make or break in any business. Everyone knows that even the most prosperous companies that don't use franchising are [also] subject to HR-related challenges. But when you take a broad look at the scene [i.e., the economy in general], you can't fail to see that the issue is more acute, and significantly so, in franchising as compared to other industries. This is not just my observation; ask around and you'll hear the same thing over and over.

Given the emphasis placed on the relatively unsatisfactory state of human resources in the franchise industry and the unanimously converging comparisons that evaluate the franchise industry against other industries, we conclude:

Conclusion 3: Relative to those in other industries, human resources in the franchise industry exhibit the lowest levels of motivation and skills.

While conducting participant observation at a franchising expo, we struck up a conversation with a franchisor representative who was taking a cigarette break outside the expo building. The franchisor representative first asked us if we were there as a prospective franchisee. When he found that we were researchers, he started to complain about prospective franchisees in that expo. Using derogatory language, he went on and on iterating how difficult it was to deal with prospective franchisees. He called them "a bunch of morons who don't even know how to waste their money." This observation serves as an extreme example of franchisors' discontent with the quality of labor pool available to the franchise industry. We acknowledge that quality prospective franchisees do exist among the crowds visiting franchise events but simply remain unidentified.

5.2. Internal Challenges

Discussions on this subtheme were always initiated by participants, who define franchisees as entrepreneurs who do not wish to be independent business owners exposed to all types of risk. Franchisees seek some sort of safety cushion (i.e., a proven business model and ongoing support) and are willing to give up a portion of their profit in return. In other words, although franchisees desire the lifestyle of the self-employed (i.e., being one's own boss, making one's own schedule, et cetera) and have tolerance for business risks, their desire and tolerance have bounds that make them not want to be on their own. The following quote from a franchisor representative (Eric, 44) neatly sums up other participants' opinions on the matter:

> It is a popular rule of thumb that, on a scale of one to ten with ten being totally independent and risk-taking and one being totally dependent and risk-averse, ideal franchisees fall around point seven.

The farther a franchisee's desire for independence and tolerance for risk from that ideal point, the greater the likelihood of encountering conflicts with the franchisor and/or experiencing psychological and financial distress. The challenge is for franchisors to ensure their prospective or current franchisees enjoy the right mix of entrepreneurship and risk-aversion. Joseph (franchisee, 31) recommends:

> Franchisee business is not meant for everyone. People whose personalities and goals are inconsistent [with] franchisee business should not become franchisees. If they do, it's them to suffer first and the most; both financially and psychologically…You have to first ensure you're the type.

In addition to being subject to challenges facing the franchise industry, franchisors face the responsibility of screening and carefully selecting their pool of franchisees. The most important criterion in the selection process is the prospective franchisee's entrepreneurial and risk-taking propensities mentioned earlier. Conclusion 4 posits a relationship between this criterion and the franchise system performance. In addition, participants representing franchisor firms unequivocally view this criterion as an important determinant of franchisor performance.

Like franchisors, franchisees are subject to particular challenges in addition to those permeating the franchise industry in general. The foremost challenge pertains to the franchisee's personality and goals. As Lori (consultant, 37) puts it, "…prospective franchisees must be truthful to themselves and try to objectively see if they are the right material for franchising." Participants, again, summarize the characteristics of an ideal prospective franchisee down to the balance between entrepreneurial and risk-taking qualities: "If you do not have the right combination of entrepreneurial and risk-seeking qualities, you must be looking for a different career" (Mick, franchisor, 41). As Joseph (franchisee, 31) was quoted earlier, “it’s them [i.e., franchisees] to suffer first and the most, both financially and psychologically.”

Conclusion 4: The farther a prospective franchisee is from the ideal mix of autonomy and risk-aversion, the more likely the franchisee, the franchisor, and to some extent other franchisees in the network will experience psychological and financial distress.

Another challenge to franchisees is posed by their employees. Franchisor reps, consultants, and attorneys repeatedly state that franchisee employees often lack maturity, experience, and education. A good portion of working teenagers in North America is employed by franchisees, many of whom wish to replace their teenage employees with more mature college-goers or adults. Unlike franchisee owners, franchisee employees should be passionate for the type of business they work for. However, many extant franchisee employees seem to be indifferent towards, and detached from, their jobs at franchisee businesses. Franchisee businesses provide their employees with low compensation and very limited room for promotion, and thus are characterized by unusually high employee turnover rates and chronic absenteeism and tardiness. A confluence of these and other factors make routine tasks of setting work schedules, motivating and promoting employees and so forth cumbersome and sometimes impossible. These employees are neither competent stewards for franchisors’ brand nor qualified employees for franchisees. Annette (franchisee, 44), Ian (franchisee, 31), and Glynn (franchisee, 30) contend:

> Unless you work hard at getting the right kind of people with the right kind of attitude and skills to work for you, you wouldn’t be able to leverage the brand [under which] and [for which] you’ve been paying handsomely. Employee management is just an ongoing, day-in-day-out issue.
>
> ‘People’ is the number-one issue. Most franchisees don’t have luck in this regard. They get what is available in the bottom of the pyramid. Finding the right employees for a franchisee business is easier said than done.
>
> I have 39 [part-time] employees working for this little business; 39 part-timers, can you believe it? I don’t have a choice. I can’t rely on just 10 or just 15 of them. So, I spend a lot

> of time juggling people's schedule[s], threatening people to fire, and [interviewing] people to hire.

It was no coincident that all of our participants, regardless of their specific role and position (franchise owner, franchisor representative, franchisee owner, franchisee manager, franchise consultant, and even franchisee line employee) view people who work at franchisee locations as the weakest link in the chain of franchise human resources. Terry (consultant, 50) believes:

> Everyone in any given franchise system has its eyes on the frontline employees at franchisee locations; and this portion of the labor in any franchise system is always the neediest place for continuous HR improvement. Using more effective HR management practices is the way to go, and franchisee employees is where your first and most attention and effort will be.

Conclusion 5: Among all of the human resources in the franchise industry, franchisee employees exhibit the poorest motivation and skills.

Comparing franchisees with independent entrepreneurs, participants suggest that two factors compound the challenges produced by the unimpressive human resources in franchisee businesses. First, many franchisees have had little or no experience managing and motivating their human resources, and end up instigating and escalating problems. Owner-manager franchisees are better aware of this issue than absentee management franchisees. Second, franchisees have and invest little incentive (due to high turnover rates) and time to train their employees.

Conclusion 6: Relative to independent entrepreneurs, franchisees (a) have lower HRM skills and (b) provide less incentive and training to their employees.

6. Discussion

Small businesses do not proactively adopt a strategic approach towards HRM, and common HRM practices in such firms mostly relate to a traditional firm approach (e.g., Duberley & Walley, 1995). In addition, research suggests that small businesses typically lack the skills to develop HRM practices, and if managers consider workers easily replaceable, they are less likely to adopt HRM practices and invest in training and development of their employees (Bacon & Hoque, 2005). The present investigation aimed to contribute to this body of research by exploring and identifying some critical HRM challenges facing the franchise industry. The mini-ethnography reported here sheds light on some major HRM challenges as perceived by franchise stakeholders. The findings afford the following tentative conclusions: (a) there is an inverse relationship between the general state of the economy and labor pool available to the franchise industry; (b) this inverse effect is subject to a time lag; (c) human resources in the franchise industry suffer from lack of motivation and skills; (d) the farther a prospective franchisee is from the ideal mix of autonomy and risk-aversion, the more likely the network will experience psychological and financial distress; (e) franchisee employees exhibit the poorest motivation and skills; and (f) relative to independent entrepreneurs, franchisees have lower HRM skills and provide less incentive and training to their employees.

----------*Insert Figure 2 here*----------

Figure 2 depicts a model that provides a clearer picture of the HRM challenges facing both franchisors and franchisees. At the top of the model is the general state of the economy, which is a macro-environmental factor. A growing economy generally leads to lower unemployment, which means higher demand and higher wages for skilled workers. In such an environment, people with higher skills become hesitant to consider franchising as a viable employment option, neither as a franchisee due to the risks and other hassles associated with entrepreneurship, nor as a franchisee’s employee due to lower wages. At the same time, firms are in a better shape financially and thus become less inclined to expand their business by franchising in order to avoid the risk factors (e.g., brand, control, motivation). Therefore, the numbers of prospective franchisees and franchisors are expected to decline. In contrast, when economy is declining, unemployment usually rises which leads to job insecurity and lower wages. In such an environment, not only are skilled workers likely to consider self-employment through opening a franchisee, but firms are also more likely to expand by franchising due to their limited financial resources.

Weaven and Frazer (2006) provide indirect support for this observation in their study of franchisee motivations to join franchise organizations. According to them, a majority of franchisees were in salaried employment previously and would have not considered becoming a franchisee had they not had to leave their salaried jobs behind. Weaven and Frazer (2006) also identify major contrasts between the motivations of franchisees who were previously employed and those who were self-employed. It is worth noting that in both booming and declining economic conditions, the flow of talented managerial and technical candidates from the franchise industry into other industries and vice versa might be slow at the beginning, and it might take several months or even a couple of years to see the real impact on the quantity and quality of labor pool available to the franchise industry.

At the bottom of this model, the HRM challenges facing franchise businesses are categorized. The most significant HRM challenge for franchisors, as the findings suggest, is to find franchisees with required skills (e.g., managerial skills) who also possess the ideal mix of entrepreneurial and risk-taking qualities. People with a strong entrepreneurial propensities are usually risk-takers while the main motivation for joining a franchise (with a tested product and business model) is to reduce the risk of failure. Therefore, it might be difficult for a franchisor to find prospective franchisees with strong entrepreneurial spirits, especially in a booming economy, and approving someone who lacks such qualities to join a franchise network may result in psychological and financial distress for both franchisee and franchisor.

At the franchisee level, the findings revealed that franchisees lack managerial skills, in general, and HRM skills, in particular, especially in a strong economy. Many franchisees have had little or no experience managing a group of employees and handling their employees' work-related issues. As a result, and also partly due to high turnover rates, many franchisees fail to invest enough time and money to train their employees or to provide merit-based compensations and incentives to improve performance, thus intensifying the problems.

Finally, smaller and lower skilled labor pool means franchisee employees often lack maturity and experience. A good portion of positions at franchisees in North America offer low compensation and very limited room for promotion, and are filled by working teenagers. At the same time, their managers' lack of HRM skills may exacerbate the situation. Hence, these employees are usually detached from their jobs, leading to high employee turnover rates, absenteeism, and tardiness.

6.1. Theoretical Contributions and Research Implications

This work is an attempt in bridging the human resource management (HRM) and franchising literatures by offering a conceptual model for the HRM challenges facing franchise businesses, whether franchisor or franchisees. Our review of the HRM literature in franchising contexts revealed that most of the studies in this area are focused on how implementation of various HRM practices (e.g., training, compensation) may influence franchisees' performance compared to company-owned units. On the other hand, franchising literature with an HRM focus mostly includes studies that investigate how the relationship between a franchisor and its franchisees (e.g., power structure, risk perceptions, level of support offered) may influence their HRM practices. While some of our findings are in line with those of some earlier works pertaining to HRM in franchise businesses in other geographies (e.g., The Netherlands: de Kok & Uhlaner, 2001; UK: Truss 2004; Australia: Kellner, 2017; Spain: López-Bayón & López-Fernández, 2016), this work also extends this important research domain, and the theoretical model proposed here offers a broader approach to study HRM in a franchising context from both macro and micro perspectives.

This work also contributes to the two theories that informed our inquiry. Resource constraint theory proposes that firms whose limited resources hinder their high potential for growth might consider franchising their business model in order to expand in a timely and profitable manner. This is to say the firm's resource endowment is a determining factor behind the decision to franchise. The findings of this study contributes to this theory in two ways. First, this research suggests an additional determining factor: the general state of the economy. If the inverse relationship between the economic condition and the quantity and quality of labor pool available to the franchise industry is tenable, the firm might be more inclined to consider franchising when the economy is declining and, as a result, more and better labor is available to the franchising industry. Putting the two factors together, the firm is more likely to franchise when both internal (resource inadequacy) and external (economic downturn) factors are favorable to so doing. Since the effect of the economic condition is subject to a time lag, there is need for further investigation into and empirical testing of these conclusions.

Second, firms that choose to leapfrog their resource limitations through franchising might experience a different kind of resource constraint in future. This research suggests that the human resources in the franchise industry, especially those within the franchisee firms, exhibit the least levels of motivation and skills, and that franchisees, relative to independent entrepreneurs, have lower HRM skills and provide less incentive and training to their employees. If these findings are plausible, firms adopting the franchise concept will subsequently find themselves constrained by the low quality of the human resources in their franchise system. Since franchisors have less control over franchisees and franchisee employees relative to their own employees, the quality of human resources will be less controllable under franchise settings. Therefore, franchising might not be as viable a means of addressing resource constraints as it was thought to be because it might produce other kinds of resource deficiency. In other words, the net effect could be negative, especially when the economy is booming and higher skilled workers join other (non-franchise) businesses.

According to agency theory, the quality and outcomes of the franchisor-franchisee relationship is subject to two sources of uncertainty: adverse selection and moral hazard (e.g., Dant, 1995; Shane, 1996). With regard to adverse selection, this research calls attention to the mix of autonomy and risk aversion in the process of franchisee selection. The farther a prospective franchisee is from the ideal mix of autonomy and risk-aversion, the more likely the franchisee, the franchisor, and to some extent other franchisees in the network will experience psychological and financial distress. In fact, a large portion of the services provided by franchise consultants and brokers aim to ascertain that the individual or firm seeking to serve as a franchisee is in fact close to the ideal mix of autonomy and risk-aversion.

6.2. Practical Implications

This research also offers practical guidelines for franchisors as they shape their HR systems. Our study suggests that when firms choose the franchising path as a means of leapfrogging resource constraints, they will experience new and more challenging HRM complications for two reasons: (a) human resources recruited by their franchisees will likely represent the lowest levels of motivation and skills in the franchise system and (b) franchisee owners/managers, relative to independent entrepreneurs, show lower HRM skills and provide less incentive and training to their employees. Decision-makers at both franchisor and franchisee firms need to address the new HRM challenges proactively by, first, recognizing their possibility and emergence and, second, engaging in cooperative learning with one another and improving their HRM skills and practices. A discussion of such preparatory strategies can be found in Shepherd, Douglas, and Shanley's (2000) paper, where managers of new ventures are warned that preparatory strategies will not reduce the effects of HRM challenges unless the franchisee owners/managers internalize the experiences and skills gained through consultation with franchisor management and other franchisees in the system.

Douglas and Shane (1999) draw our attention to the individual's degree of risk aversion as a determining factor for the choice to be an entrepreneur: the more one's desire for risk-taking, independence and decision-making control, the more likely one will seek self-employment through entrepreneurship. The term entrepreneur subsumes independent business owners as well as franchisees. Franchisees, however, are different from independent business owners in their desire for some sort of safety cushion (i.e., a proven business model and ongoing support) and are willing to give up a portion of their profit in return. Our findings indicate that the farther a franchisee's desire for independence and tolerance for risk from that ideal point, the greater the likelihood of encountering conflicts with the franchisor and/or experiencing psychological and financial distress. Franchisor managers, therefore, need to ensure their prospective or current franchisees enjoy the right degrees of desire for risk-taking, independence and decision-making control. This underscores the importance of HRM, especially screening and carefully selecting their pool of franchisees, for franchisor firms. In addition, franchisors should design programs to enhance the entrepreneurial abilities and attitudes of franchisees, and franchisees should consider their personal 'attitudinal' outlook prior to finalizing their involvement in the franchise system (Le´vesquea, Shepherd, & Douglas, 2002). Franchisees, in particular, should realistically consider and analyze their self-images as they pertain to vulnerabilities and capabilities as each of these images of self affects the prospective franchisee's appraisal of and action upon focal business opportunities (Mitchell & Shepherd, 2009).

Because franchising is a hybrid form of organization (both a combination of hierarchical and market governance and a strong contractual orientation), it poses interesting challenges in terms of HRM policies and practices. In a franchise organization, HRM policies and practices need to address four broad areas of issues pertaining to (a) employees and managers at franchisor headquarters; (b) employees and managers at franchisor owned units; (c) franchisees in the system; and (d) employees and supervisors at franchisee owned units. Since franchisor headquarters and units may be populated with franchisor employees, the HRM policies and practices may resemble that of a typical hierarchical organization. This may also be true for HRM policies and practices within master or area franchisees. However, HRM policies pertaining to franchisees may have to deviate from those of a typical hierarchical organization. Although a significant portion of franchisor-franchisee relationship is dictated by the contract and the economic incentives inherent in the franchise industry, decision-makers should keep in mind that franchisees are human beings with conflicting intrapersonal demands (e.g., entrepreneurial versus managerial role conflict), interactional demands (e.g., family expectations), and environmental demands (e.g., other franchisees, market forces). Further, because of the significant investment in the franchisor business, franchisees may face some unique anxiety typical of an investor. HRM policies and practices must take all these into account, for a smooth functioning of a franchise system. The last domain consists of the employees of smaller franchisees. These employees are often hourly paid workers who may look at flipping burgers and manning counters as just another job (Paswan, Pelton & True, 2005). HRM policies for retaining and motivating such employees may require a different approach, especially since they are not employed by the franchisor. It is also important to recognize the value of retaining and motivating good low-wage employees, because they are often the face of the franchise system that consumers interact with.

These 4 HRM domains and related issues seem even more critical when one realizes that a significant portion of franchise systems comprise service (as opposed to manufacturing) industries where experience and credence quality are more important than search quality (Lovelock, 1996; Zeithaml, Berry, & Parasuraman, 1993). Hence, franchise managers must develop sound HRM policies to ensure that their franchise model and strategy are well executed. Otherwise, they run the risk of diluting their franchise concept or attracting the wrath of the public (see for example the Timbit incident). We hope that our study provides food for thought for franchise managers, who are charged with the responsibility of eliminating counterproductive HRM policies and practices in franchise systems and developing a consistent blueprint for managing managers and employees across the franchisor headquarters, franchisor units, and franchisee units. HRM policies in a franchise system must rely on more than the mere contract and leverage the social fabric within which people, irrespective of their position, act in ways that synergistically push the entire system towards its objectives.

6.3. Limitations and Future Research Directions

The findings of this study ought to be interpreted with caution. Due to its exploratory and qualitative nature, our study drew on a relatively small sample of franchise stakeholders and employed a mini-ethnographic research method. Consequently, while the findings hold theoretical/conceptual generalizability, future research is needed to examine their ecological generalizability in other countries and contexts. The logical next step would be to test the conclusions of this study through a larger and more representative sample. One major challenge in doing so is to control other confounding variables because it would be impossible to test the macro-environmental factors in a controlled experiment. In addition, future research needs to tease out the constructs and concepts embedded in our conclusions and conceptually and operationally define them in a more refined manner. Moreover, since the undesirable effect of the economic condition on businesses' decision to choose franchising to expand their business is subject to a time lag, there is need for further investigation to determine other factors that may affect this time lag. We hope that our study provides an impetus for more exploration in this crucial area of franchising.

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Appendix - The Semi-Structured, Semi-Directed Interview Protocol

A. Introduction to the Study and Consent

B. Demographic information

1. Name of Business	4. Total # years in any business	7. Ethnicity
2. Position	5. Age	8. Education
3. # years in this business	6. Gender	9. Home Zip code

C. Questions

1. What do you do for a living?
    a. How does your job relate to franchising?
    b. Probe: Are you a franchisee, franchisor, or franchise consultant/lawyer/facilitator?

2. What are the HR-related threats and challenges for any franchi<u>**sor**</u>? ***After exhausting the open-ended, unstructured, and non-directed responses to the question:***
    a. Probe for recruitment of qualified franchisees.
    b. Probe for the various layers in the franchise organization.
    c. Invite comparisons within and outside the franchise industry in terms of education, knowledge, motivation, skills, experience, etc.

3. What are the HR-related threats and challenges for any franchi<u>**see**</u>? ***After exhausting the open-ended, unstructured, and non-directed responses to the question:***
    a. Probe for recruitment of qualified employees.
    b. Probe for owner-manager alternatives.
    c. Invite comparisons within and outside the franchise industry in terms of education, knowledge, motivation, skills, experience, etc.

4. Now think at the level of the franchise system (i.e., considering a franchisor and all of its franchisees at once), what other HR-related threats and challenges are there? ***After exhausting the open-ended, unstructured, and non-directed responses to the question:***
    a. Invite comparisons within and outside the franchise sector.
    b. Invite comparisons across various industries

5. What do you consider to be the Achilles' heel of HR in the franchise sector?

6. Looking at the <u>**franchise sector**</u> of the economy at large, what HR-related threats and challenges does this sector face?
    a. Probe for the various layers in the franchise organization.
    b. Invite comparisons within and outside the franchise sector.
    c. Invite comparisons across various industries

7. If you had the authority to make any changes, what about HR would you change in franchising?

8. If you had the authority to make any changes, what about HR would you change in franchising?

D. Answer any question the participant might have and thank him/her for participation.

Figure 1 – A partial illustration of the analytic path: A code trees that resulted from the thematic analysis, along with representative excerpts from field notes and in-depth and semi-structured interviews

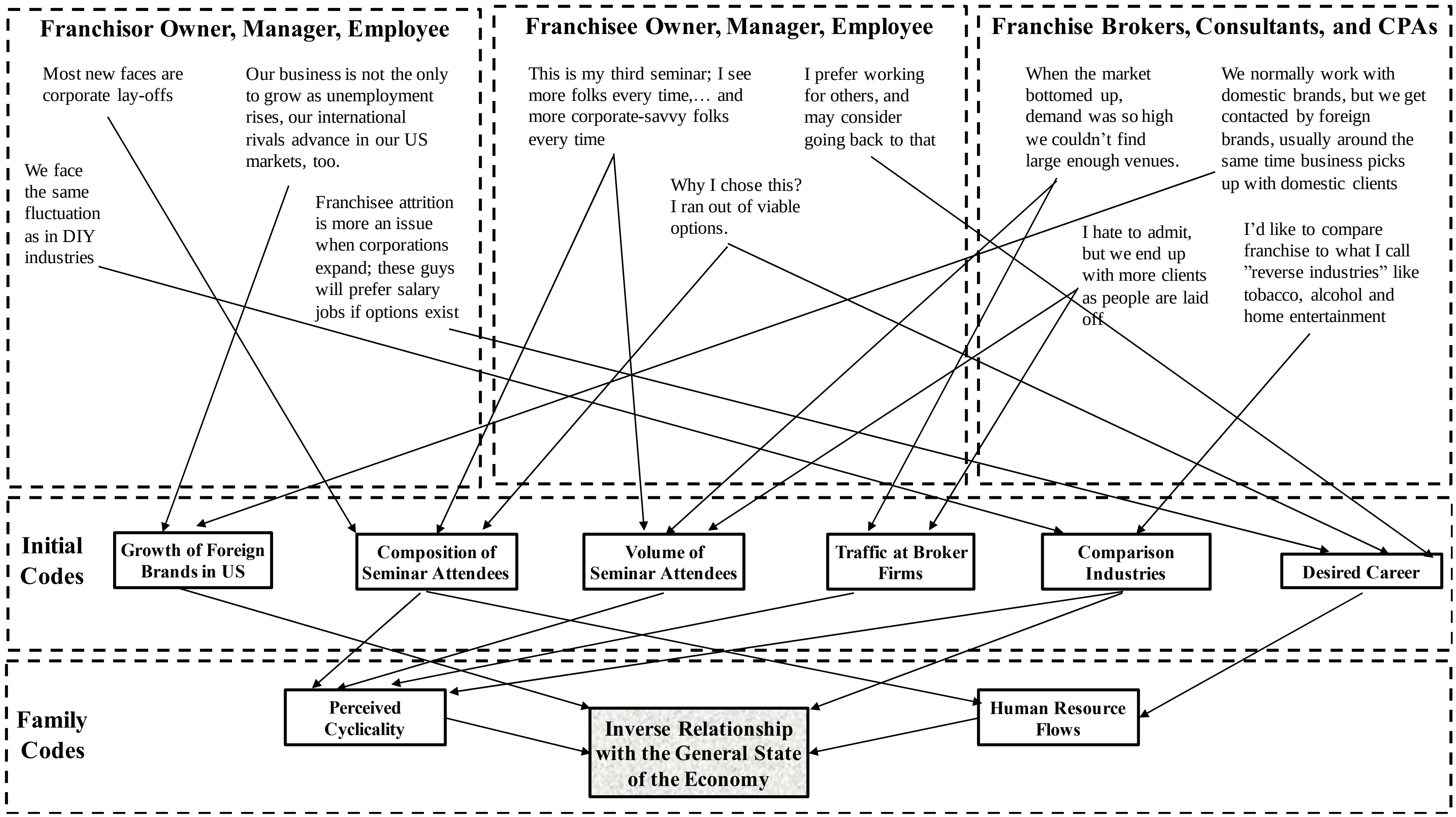

Figure 2 – The proposed model of HRM challenges facing the franchise industry

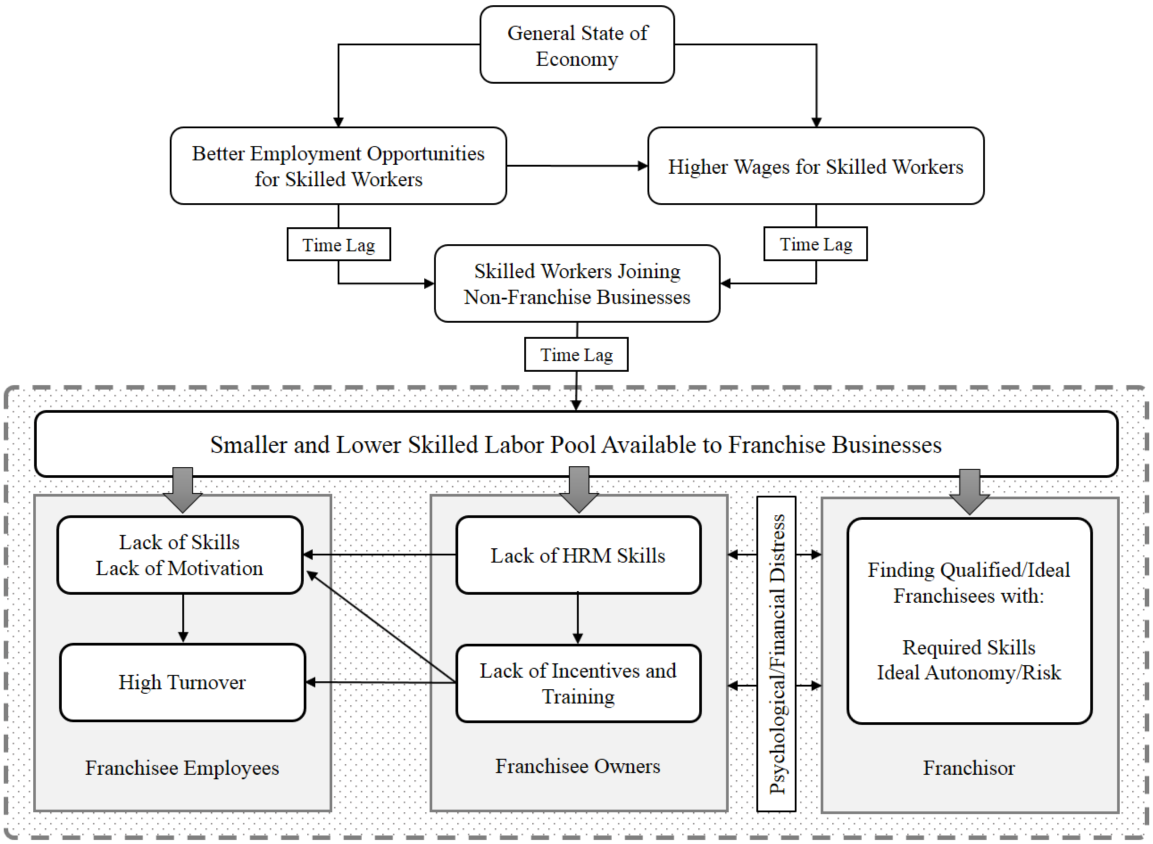

Table 1 – Interview Participants Profile

Pseudonym	Role	Age	Gender	Ethnicity	Zip Code
Aaron	Consult	36	M	W	75070
Alex	Zor	50	M	W	78192
Andrew	Zor	40	M	W	60067
Annette	Zee	44	F	W	76205
Anthony	Fin&Acc	52	M	W	66560
Becky	Zee	31	F	W	75074
Ben	Zee	39	M	W	76209
Berton	Zor	41	M	W	Canada
Blake	Zor	66	M	W	75025
Bob	Zor	53	M	W	75104
Britt	Zee	32	M	W	76201
Brondyn	Zor	37	M	W	75244
Cameron	Zee	56	M	W	37615
Campbell	Consult	42	M	W	63124
Cindy	Zor	44	F	W	57018
Crystal	Fin&Acc	39	M	W	61701
Dade	Zor	53	M	W	53027
Darin	Zor	64	M	W	80203
Delia	Attorney	34	F	AF	75115
Derrick	Consult	51	M	W	60430
Dustin	Zee	29	M	H	76201
Eric	Zor	44	M	W	75071
Evan	Zor	39	M	W	70180
Fred	Zee	57	M	W	76201
Gary	Zee	35	M	W	78718
Glynn	Zee	30	M	W	76210
Greg	Zee	65	M	W	75248
Guy	Zee	31	M	W	76210
Hayden	Zee	46	M	W	78739
Helen	Zee	38	F	W	79605
Ian	Zee	31	M	W	76207
Irene	Attorney	48	F	W	90410
Jakie	Zee	35	F	W	44765
Jasminra	Zee	61	F	W	76210
Jerrod	Consult	50	M	W	75093
Joe	Zee	31	M	W	75126
Jonathan	Zee	44	M	W	78730

Pseudonym	Role	Age	Gender	Ethnicity	Zip Code
Joseph	Zee	31	M	AF	75407
Josh	Zee	54	M	W	75707
Julie	Zee	48	F	W	75028
Karla	Consult	55	F	W	75013
Katy	Journalist	55	F	AF	22718
Kendahl	Nonprofit	42	F	W	84204
Kevon	Zee	56	M	W	75093
Linda	Zee	47	F	H	78015
Lori	Consult	37	F	W	94523
Lou	Zor	54	M	W	78190
Luis	Consult	46	M	W	97236
Luke	Zor	62	M	W	22316
Marcus	Zee	70	M	H	76226
Matt	Nonprofit	41	M	W	22304
Melisa	Journalist	61	F	W	80126
Mick	Zor	41	M	W	85260
Nadia	Zee	49	F	H	49177
Natasha	Zor	33	F	W	75019
Nathan	Zee	34	M	W	75027
Neil	Zee	25	M	W	76006
Olivia	Consult	50	F	W	77573
Orlando	Consult	51	M	W	67003
Patrick	Zor	70	M	W	75080
Peter	Zee	44	M	W	75022
Rochelle	Zee	32	F	W	76210
Ryan	Zor	38	M	W	75034
Scott	Zee	40	M	AS	75252
Sebastian	Zee	53	M	W	76109
Selina	Attorney	53	F	W	75252
Shelia	Zor	47	F	W	76092
Terry	Consult	50	M	W	75070
Todd	Zee	53	M	W	75007
Tony	Zee	37	M	AS	76211
Valerie	Zor	49	F	W	76205
Wesley	Zor	43	M	W	76219
Willa	Attorney	39	F	W	75252
Zack	Zee	48	M	W	80750