Exploring the Roles of Franchise Advisory Councils: 
A Theory-Based Approach

Denise M. Cumberland, Ph.D. 
Assistant Professor 
Leadership, Foundations & Human Resource Education 
College of Education and Human Development 
University of Louisville 
Louisville, KY 40292 
Telephone: 502-609-3504 
Fax: 502-852-4563 
Email: denise.cumberland@louisville.edu

Presented at the 28th Annual 
International Society of Franchising Conference 
Ernest N. Morial Convention Center 
New Orleans, Louisiana, U.S.A. 
February 21-23, 2014
ABSTRACT

The use of franchise advisory councils (FACs), typically composed of franchisees and franchisor representatives, is common practice in domestic and international franchise systems as a mechanism to bolster system performance. Limited empirical data on the roles associated with FACs is available yet a good deal of time, money and energy is spent on these quasi-governing bodies. This exploratory research study included a series of interviews with 14 franchise advisory council members, both franchisees and franchisors from different organizations. To develop a richer and deeper understanding of FACs, two case studies were conducted, incorporating 15 additional interviews, plus observation of meetings and conference calls over a twelve-month time period. The results identified four core role-sets that FACs perform and borrows from corporate and nonprofit board literature to identify the theoretical assumptions associated with these roles. Furthermore, differences were found between franchisor and franchisee perspectives on certain functions performed by FACs. A grid framework is proposed that identifies the role-sets in a practitioner-friendly manner that franchise organizations could use to assess what roles their FAC emphasizes. Finally, this research suggests a road map for future research on understanding how FACs may contribute to the dynamics of the franchisor-franchisee relationship.

Keywords: Franchise Advisory Councils; FAC Roles; Organizational Theories