

A recipe for success from KFC's top franchisee Burt Gunning

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Whether you're a budding entrepreneur eager to invest in South Africa's dynamic franchise sector, or you're an existing franchisee hoping to boost profitability and efficiency, Burt Gunning is the guy to take your cue from when it comes to running a successful business.



Burt Gunning

As the owner and MD of Gunret Foods, Gunning has been in the food franchising business for 35 years, operating the multi-store franchise group in Centurion, Midrand, Sandton, Rustenburg and Cape Town.

He was a senior partner at an auditing firm for a number of years before purchasing his first KFC restaurant in 1985. Since then. Gunning has grown his business from one store to 41, and he's one of KFC's most successful franchisees.

Gunret Foods was recently named Franchise of the Year at the KFC Awards for the fourth time - an unprecedented achievement.

Out of the 960 stores scattered across South Africa, Gunning owns the two best-run KFCs in the country, with his store in Midrand receiving first place and the Centurion store taking second place.

The win is in recognition of the restaurants excelling in all aspects of business, from customer service, food quality and operational restaurant standards, to sales growth, community involvement, and training and development of staff.

Culture of recognition

The seasoned franchisee also took home the title of People Developer of the Year, an award he's won previously. He and his team work hard to instill a culture of recognition within the company.

"In KFC we operate within a culture of recognition - I personally make it my job to go out of my way when visiting stores to catch one of my employees doing something right and praise them in front of their fellow workers," he explains.



KFC Centurion

World-class standards

In June 2018, Gunning represented KFC Africa as Operator of the Year at the KFC International Awards held in the United States. He was one of only nine franchise operators selected from over 23,000 KFC restaurants in 142 countries in the world.

A point of pride for Gunning is the growth and development of his staff. One of his restaurant managers, Martia Mohlahla from KFC Midrand, has been nominated to attend the KFC International Franchise Convention in Singapore this year. She's one of three restaurant managers chosen from around the world invited to share their expertise and knowledge with other franchisees.

Here, Gunning shares the highlights of his franchising journey and his strategy for success.

III Congrats on another Franchise of the Year win! How does it feel to be the only KFC franchisee to scoop this accolade four times, as well as People Developer of the Year more than once?

I feel very proud of my organisation that I have built up over the years from 1 store to 41 stores. It is a team effort, we win together, and we celebrate this win as a team. It is only when every person in the organisation works towards excellence that you can achieve this.

We also train and promote from within – therefore people are able to grow with the company and achieve. We push people to be their best.

- **III** Let's chat about what goes into operating SA's best-run KFC franchise. What do you believe is the foundation and cornerstones of your success in the business?
- Operational excellence operating at world-class standards
- Compliance ensuring that things get done properly, the right way
- · Training, people growth and development
- · A commitment to be the best



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I am very much an entrepreneur and even though I was a partner in an auditing firm, it was the KFC franchise business that really got my attention and I decided that is where I wanted to be. Luckily I bought into a good, strong brand and my restaurants were successful – I have been fortunate in that I have found my 'spiritual home' in KFC!

III The franchise sector has proven itself to be rather resilient during tough economic times. Can you comment on the importance of this industry in SA's current business landscape in terms of that resilience, as well it being a notable GDP contributor and job creator?

The franchise sector, and in particular the fast food industry, is relatively resilient in tough economic times, but there is no guarantee that your business will be a success. There are a lot of advantages to being in a franchise and risk is minimised to an extent in that you are given a proven recipe to run your business.

Due to slowing economic growth, the food industry has become very competitive and customers are looking for value for money – service and food quality is key to remain competitive.

For every new KFC restaurant opened we employ about 20 to 40 staff depending on the size, so it is a notable GDP contributor.

What has been the highlight of your career since you purchased your first KFC restaurant in 1985?

I am very happy to have built a successful business for my family. This has been acknowledged by the franchisor in that I have received numerous awards.

The biggest award was the opportunity to represent KFC Africa on the international stage against over 23,000 other KFCs and 142 other countries last year. My franchise was voted one of the nine best in the world. It was a tremendous accolade for me.

From a personal point of view, I am most proud that three of my employees have worked themselves up to become franchisees in their own right.



The job-generating, economy-boosting benefits of franchising

In your opinion, what qualities do you think make a good franchisee and what are the key factors entrepreneurs should consider before investing in a restaurant franchise?

What makes a good franchisee?

- · Hard work and enthusiasm
- A passion for the business you must love what you do because you have to do it every day and still enjoy it
- · Dedication and repeatedly doing the same thing every day until things get done
- Determination to make it work you need to make it work against all odds
- Solution-driven Being able to work with the franchisor and bring solutions (not just complaints); we are after all on the same team and we all win when we work together

Key factors to consider before investing in a restaurant franchise?

- Look for a franchise with a track record of at least 2-3 years
- Review the franchisor's financial statements (this is a CPA requirement for the disclosure document)
- Get a list of franchisees and randomly contact and interview some of them (also a CPA requirement for the disclosure document)
- Take time to work in the franchise at your own cost see if you enjoy the business and operating in it

• Ensure you will have an exit strategy and an asset to sell when you want to exit the business or are you just an employee?

ABOUT LAUREN HARTZENBERG

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