

Jim's works to resolve disputes in-house

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The mammoth Jim's Group of companies claims that a culture of mediation, generosity and being proactive has helped it keep a lid on disputes and avoid the kind of negative press that has hurt the brand names of much smaller franchise systems.

Jim Penman, who founded Jim's Group in 1982 and still controls 100 per cent of it, admitted that problems do arise involving clients, franchisees or franchisors, but the company "leans over backwards" to deal with the issues in private and not have them aired in public.

"One of our biggest successes has been that we really never go to court with anybody. We certainly don't go to court with clients. We fix their problems, we don't fight them. We go enormously far for them," he said.

"But we also apply the same principles with franchisees and franchisors. We have a very strong culture of mediation. We don't have any form of litigation or legal dispute hanging over us right now, not one case. It makes good business sense to have it that way because litigation is hugely damaging and expensive."

According to Mr Penman, the group will negotiate an exit if it wants to terminate its relationship with an individual, or vice-versa.

"If somebody walks away, we tend to forgive them their debt rather than chase them for their money because we feel that they have lost their business, and that is enough of a blow. That is the kind of policy we adopt."

Mr Penman isn't afraid to get his own hands dirty if there is a dispute between a franchisee and a franchisor.

"Somebody in management, and it could be myself, will step in and say: 'Okay, let's try to get a resolution here'. Then we just persuade people and get them to come to an agreement. Not everyone will be perfectly happy. But we have got a very

powerful interest in making sure that our people are protected and our brand is protected."

Jim's Group is one of the largest home service franchises in the world, with about 2600 franchisees in Australia, New Zealand, Canada and the UK. It is made up of more than 20 divisions, including lawn mowing, car washing, a driving school and appliance repair.