



**USAID** | **BANGLADESH**  
FROM THE AMERICAN PEOPLE



## Smiling Sun Health Franchise (SSHF)

SSHF Policy -2008

June, 2008



**USAID** | **BANGLADESH**  
FROM THE AMERICAN PEOPLE





## Table of Contents

1. Context.....	4
2. The Mission of the SSHF.....	4
3. Objectives of Policy Guidelines.....	4
4. Applicability of Policies .....	4
5. Implementation responsibility.....	4
6. Policy review & revision.....	4
7. Definitions.....	6
8. General Policy.....	8-11
9. SSHF Franchise Policy	
9.1 Franchise Network Policy.....	13
9.2 Franchise Agreement Policy.....	15-17
9.3 Franchise Development Policy.....	19-20
9.4 Franchise Fee Policy.....	22
9.5 Franchise partnership Policy.....	24-26
9.6 Franchise Territory Policy.....	28
9.7 Franchise Branding Policy.....	30-31
9.8 Franchise Signage Policy.....	33
9.9 Franchise Look & Layout Policy.....	35
9.10 Franchise Communication Policy.....	37-38
9.1 1 Franchise trademark, patent & Copy right Policy.....	40
9.1 2 Pay and Price Policy .....	42
9.1 3 Franchise Contractual Obligations.....	44
9.1 4 Franchise Quality of Care.....	46-47
9.1 5 Franchise Item Supply Policy.....	49
9.1 6 Franchise MIS Policy.....	51
9.1 7 Franchise Monitoring Policy.....	53
9.1 8 Franchise Termination Policy.....	55
9.1 9 Franchise Accounting & Financial Policy.....	57
9.20 Franchise Procurement Policy.....	59-60
9.21 Franchise Sales Policy.....	62
9.22 HR Policy.....	64-66
9.23 Franchise Staff Pay Policy.....	68
9.24 Franchise Fundraising Policy.....	70
9.25 Transparency/Accountability and Anti-corruption Policy .....	72
9.26MCP, Tiahrt, & Helms Monitoring Policy.....	74



## 1. Context

The Smiling Sun Health Franchise (SSHF) is an independent health franchise company created with support from USAID to establish franchise network with NGOs owning and managing clinics as franchisees. This franchise will work to provide increased access to superior quality health services to all people, including those who cannot afford to pay for services.

SSHF is beginning with 30 NGOs and 319 clinics inherited from its predecessor program. By the end of project period this network is expected to have 360 clinics.

## 2. SSHF Mission

*“to improve the quality of life of all Bangladeshi’s by providing superior, friendly and affordable health services in a sustainable manner”*

## 3. Objectives of Policy Guidelines

The objective of these policy guidelines is to provide framework of operational principles & practices for the efficient and transparent management of the Franchisor, the Franchisees and others active in the business environment related to the SSHF network.

## 4. Applicability of Policies

These policies apply to all operational activities carried out by the SSHF and its Franchisees, including their clinics.

## 5. Implementation responsibility

The Managers of SSHF and its franchisees respectively shall take responsibility for implementing these policies, under the guidance and supervision of the Managing Director of the SSHF Organization.

## 6. Policy review & Revision

SSHF shall be responsible for all policy revisions. It will review the policies as and when necessary in response to the needs of the business. Revised policies shall be followed by SSHF and the franchisees. All such revisions shall be appropriately indexed and inserted into the policy folder, so that history is retained appropriately.



## Definitions



## 7. Definitions

**7.1 Franchise:** A Franchise is a network of Franchisor and Franchisees. The Franchisor supplies a blueprint for the provision of its products & services and Franchisees are granted the right to use this blueprint in a given territory, under certain rules & conditions, in return for a fee or charges. A Franchisee is, thus, an independent business, run in strict compliance with the rules & regulations laid down by the franchisor.

**7.2 Social Franchising:** This consists of applying tried and tested commercial franchising principles and practices to the provision of socially desirable products and services. The distinctive features are:

- The Products & services offered are designed to meet the requirements of the needs of the intended beneficiaries in an affordable way.
- The network operates in close proximity to its customers
- It stimulates latent demand for its products & services, by building awareness of them through two-way communication within its target communities.
- It addresses economic and social barriers, in order to establish fairness & social equity and enable easier access for the beneficiaries to the services offered.
- While the Franchise aims to be self-sustaining, the Franchisor is motivated by social rather than economic ( i.e. profit) goals.

**7.3 Franchising:** A method for successfully expanding a business that involves at least two parties, namely the Franchisor and the Franchisee, through networking and with shared vision, mission & objectives.

**7.4 Franchisor:** The SSHF organization, the owner of the Smiling Sun (franchise) brand and policies, is the parent organization that grants, in exchange for a fee and subject to other conditions, the right to use its name and system of business operations.

**7.5 Franchisee:** An individual outlet owner who has acquired the Franchise rights in exchange for fees or charges, in order to achieve business objectives set by SSHF and agreed by the Franchisee.



## **General Policy**



## Smiling Sun Health Franchise (SSHF)

### 8. General Policy

- 8.1 Smiling Sun Health Franchise (SSHF) is a not-for-profit organization, registered under the appropriate laws of Bangladesh. SSHF operates under Bangladeshi legal provisions and appropriate business permits from the various designated authorities of the GOB.
- 8.2 SSHF is guided in all matters by the mission statement of the Organization.
- 8.3 SSHF is managed by its Board of Directors appointed in accordance with the provisions of its Articles of Association.
- 8.4 SSHF has a members' council composed of representatives from the franchisees for sharing common interest and better coordination amongst the franchisees.
- 8.5 SSHF has a Clinical Quality Council (CQC) composed of representatives from franchises for assuring quality services in the franchised clinics.
- 8.6 SSHF uses resources received from USAID as grant under SSFP as initial capital for establishing SSHF network.
- 8.7 SSHF owns the Smiling Sun brand, logo and other tangible and intangible assets of the earlier smiling sun health program run by NSDP under USAID grant.
- 8.8 SSHF assumes responsibilities to act as the central resource and the network manager for Smiling Sun Health Franchise network.
- 8.9 Any profit generated by SSHF shall not be available for distribution to its promoters, directors, managers or others connected with management of SSHF.
- 8.10 Any profit generated by SSHF shall be accumulated as franchise development fund which shall be available for reinvestment in the development, expansion and operation of franchise network.
- 8.11 A part of the franchise development fund shall be utilized to provide healthcare to the poorest of the poor.



- 8.12 SSHF provides access to healthcare services for all who will need it irrespective of class, creed and culture, etc.
- 8.13 SSHF provides health services in full compliance with the Government of Bangladesh laws, regulations, and policies as they relate to the delivery of health care services.
- 8.14 SSHF conducts its business in full compliance with the laws of the Government of Bangladesh.
- 8.15 As a recipient of donor funding, SSHF and its franchisees and clinics conduct business in full compliance with the policies and procedures of the donor organizations.
- 8.16 SSHF operates its business and requires its franchisees to operate with complete transparency to all.
- 8.17 SSHF selects franchisees following the selection criteria outlined in the operational manual;
- 8.18 The SSHF board of directors determines the management style of the organization, which centers on a participative and cooperative working relationship among staff.
- 8.19 Franchisees/Clinics continue to maintain coverage and provide services in all areas of the country with major emphasis on underserved areas recommended by the Government and other providers
- 8.20 SSHF has a well structured business strategy to ensure availability of services to socially and economically disadvantaged population of Bangladesh.
- 8.21 SSHF protects full integrity of its brand while developing such CSR partnerships.
- 8.22 Franchisees adhere to all policies and procedures established by the Franchise Manager.
- 8.23 Franchisees shall need to meet all legal & regulatory requirements for establishing clinics and running franchise operation and obtain necessary approvals, clearances, permits, and certifications from appropriate authority. Franchisees shall provide copies of all such approvals, clearances, permits, and certifications to the franchisor prior to commencing operation.
- 8.24 The franchisees shall work for reducing donor dependency for funds and technical know-how by strengthening management capability and raising program income for meeting operational expenses as well as expansion of the business.



- 8.25 SSHF and the Franchisees shall be ethically sensitive to gender, youth and corruption issues in all their business activities.
- 8.26 SSHF and the Franchisees shall follow non-discrimination policy for ensuring fairness to men, women, disabled, and socially and economically underprivileged people in all activities of smiling Sun franchise operation.
- 8.27 The franchisees shall ensure that its employees do not violate the US Government Zero tolerance policy regarding trafficking in persons, procurement of commercial sex, or use of forced labor;
- 8.28 Franchisees shall not engage in or support or harbor terrorism or make any transaction with individuals and organizations associated with terrorism.
- 8.29 The franchisees shall commit strictly to comply with the Mexico City Policy (MCP), Tiahrt and Helms amendments by signing-in certification and comply with the requirement in all smiling sun franchise activities.
- 8.30 Franchisees shall commit to maintain the same standard of clinic look and layout, and service provisions in terms of equipment and medical professionals in accordance with the standards set by the franchisor.
- 8.31 Franchisees shall follow the criteria for establishing clinics/hospitals etc., set by DGHS/DGFP.
- 8.32 Franchisees shall deliver medical & reproductive health services in accordance with various clinic models developed by the franchisor along with TB, malaria, STI/RTI.
- 8.33 The franchisees shall maintain effective coordination within the Smiling Sun Franchise network. Franchisor shall lead this coordination process.
- 8.34 The Franchisees shall liaise with other USAID funded projects in the health sector in order to pursue common objectives and coordinate the learning process and in some probable cases take joint program initiatives for cost effectiveness.



8.35 The Franchisor will approve the Franchisees:

- a. Work Plan,
- b. Specified key Personnel,
- c. Performance Management Plan, etc.

8.36 The franchisees, their direct employees and the employees of the franchisees' clinics shall maintain confidentiality with respect to all information disclosed or made known to the franchisees as a direct or indirect consequence of or through the Franchise Agreement, including all information relating to the Software, whether disclosed in the Training Program, other communications and programs, the Manual, or otherwise in furnishing guidance during the term of Agreement, that is not generally known, including, but not limited to, trade secrets, the elements of the System, and information about customers, suppliers, technology, research, development, and marketing, etc.

8.37 Franchisees shall operate their business in accordance with the guidelines and policies set by the Franchisor in various functional areas.



## SSHF Franchise Policy



## **9. SSHF Franchise Policy**

### **9.1 Franchise Network Policy**

- 9.1.1 SSHF acts as the Franchisor while the NGOs who run franchised clinics are the franchisees.
- 9.1.2 Initially, SSHF will bring into the franchised network the existing NGOs who respond to RFA solicitation and are assessed as capable of running existing SS clinics.
- 9.1.3 SSHF considers all Smiling Sun clinics as Strategic Business Units (SBU) for creating Smiling Sun franchise network.
- 9.1.4 In the future, SSHF shall admit other NGOs who are willing to run Smiling Sun clinics as franchisee and who have the necessary capability and commitment.
- 9.1.5 SSHF shall establish a network with a membership of franchisees regulated by a franchise agreement with SSHF.



## **Franchise Agreement Policy**



## **9.2 Franchise Agreement Policy**

Major features of franchise agreement between SSHF and the franchisee shall be as follows:

- 9.2.1 A framework of agreement is necessary to:
- ⇒ Protect the Franchisor's investment
  - ⇒ Define the relationship – fiscal and operational
  - ⇒ Detail respective responsibilities
  - ⇒ Protect both parties
  - ⇒ Provide for termination of the relationship
- 9.2.2 Legal Agreement
- ⇒ Register logos and trademarks and copyright written materials (manuals etc.)
  - ⇒ Determine fiscal details
  - ⇒ Determine basis for granting territories
  - ⇒ Decide on term of Agreement
  - ⇒ Review local laws in relation to proposed legal structure
- 9.2.3 Components of Legal Agreement (General statement)
- ⇒ Objective of Franchise
  - ⇒ Territory granted to Franchisee
  - ⇒ Duties of the Franchisor
  - ⇒ Duties of the Franchisee
  - ⇒ Fees to be paid by the Franchisee (if applicable)
  - ⇒ Disputes procedure
  - ⇒ Conditions for termination
  - ⇒ Term of Agreement
- 9.2.4 Objectives of the SSHF
- ⇒ A simple statement of the aims of the SSHF.
  - ⇒ This should incorporate the Operational Manuals as defining the way in which the Franchisor seeks to achieve these aims.
  - ⇒ The Franchisor should determine what constitutes a viable territory (i.e. one which has sufficient potential for the Franchisee to make a worthwhile return)
  - ⇒ Should be clearly defined (preferably in the form of a map) so that disputes between adjacent Franchisees can be avoided.



#### 9.2.5 Description of duties & responsibilities of the SSHF

- ⇒ To register and protect the logos, trademarks and intellectual property of franchise.
- ⇒ To transfer the required know-how to the Franchisees through training and provide Operational Manuals
- ⇒ To support the Franchisee by monitoring and providing further training
- ⇒ To market the franchise, its products and services
- ⇒ To continue to improve and develop the Franchise system and the range of products and services provided.
- ⇒ To assist with the acquisition of equipment and supplies (if appropriate)

#### 9.2.6 Description of duties & responsibilities of the Franchisee

- ⇒ To notify the Franchisor of any unauthorized use of the network name or Trademark
- ⇒ Not to disclose any of the Franchisor's proprietary information without the Franchisor's written consent
- ⇒ To adopt the Franchisor's philosophy, policies, standards and procedures as laid down in the Operations manual(s)
- ⇒ To make payments to the Franchisor, as detailed in the Franchise Agreement
- ⇒ To observe the conditions laid down for the Territory
- ⇒ To allow access by the Franchisor's representatives at any time
- ⇒ To follow reporting requirements

#### 9.2.6 Franchise Fees

- ⇒ Franchise usage fee against franchise equipment & other items supplied.
- ⇒ Initial Franchise Fee paid by Franchisee for the rights to use the name and Trade Marks and for access to the Franchisor's intellectual property (usually a one-off fee)
- ⇒ Royalty or Management Service fee, for the rights to continue to operate the business (often a percentage of income volume)
- ⇒ Marketing fee (to be used to promote the franchise network)

#### 9.2.7 Disputes procedure

- ⇒ Conditions for rectifying a default
- ⇒ Internal dispute resolution procedure
- ⇒ Access to formal arbitration



#### 9.2.8 Term of Agreement

- ⇒ Franchisor to lay down initial term
- ⇒ Conditions for extension of Agreement following initial term (with or without additional fee)
- ⇒ Conditions for “early exit” (if desired)

#### 9.2.9 Termination

- ⇒ Conditions justifying termination
- ⇒ Conditions for termination – return of all signage, proprietary materials etc.
- ⇒ Non-compete in territory for specified term, following termination



## **Franchise Development Policy**



### **9.3 Franchise Development Policy**

- 9.3.1 SSHF shall establish network of 360 franchised clinics in phases during project period. Existing 319 clinics run by 30 NGOs shall be prioritized for conversion in to franchised clinics.
- 9.3.2 SSHF shall tryout the franchise conversion process, service delivery structure and model, other business processes, operating systems, etc in clinics located around Dhaka. Lessons learned through this process shall lead to adjustment of franchise model, systems and processes for their replication to other clinics.
- 9.3.3 During the initial phase, SSHF shall offer and provide franchise development assistance, financial & technical, to existing NGO partners of SSFP, who will qualify through the business plan evaluation against request for assistance (RFA) solicitation process to convert their clinics in to franchised business format.
- 9.3.4 SSHF franchised clinics shall be categorized as:
- ⇒ Maxi
  - ⇒ Ultra
  - ⇒ Vital
  - ⇒ Satellite
- 9.3.5 SSHF defines Maxi, Ultra, & Vital as static clinics, while satellites are non-static clinics clustered around static clinics.
- ⇒ **Maxi:** Defined as clinics having facility to offer out-patient Essential Service Delivery (ESD), Emergency Management of Obstetric Care (EmOC), enhanced diagnostics and limited in-patient Care.
  - ⇒ **Ultra:** Defined as clinics having facility to offer basic out-patient ESD, EmOC and comprehensive laboratory services facilities.
  - ⇒ **Vital:** Defined as clinics having facility to offer basic out-patient ESD and limited laboratory services facilities.
  - ⇒ **Satellite :** Defined as outreach clinics, non-static or mobile offering limited ESD.



- 9.3.6 SSHF shall convert 160 clinics in to Smiling Sun Franchised clinics in 1st year of operation. The criteria for clinic selection shall be rank of in terms of high cost recovery ratio attained.
- 9.3.7 SSHF shall convert the clinics in a way that all franchised clinics have the same look and layout, equipment, service quality standards & benchmarks, staffing pattern, promotional & ground activation strategy, development approaches, business & operational objectives and processes, to enable offering same customer experience to the target beneficiaries.
- 9.3.8 The SSHF shall consider all converted clinics as the Strategic Business Unit (SBU) of Smiling Sun Health Franchise network.
- 9.3.9 The SSHF shall support capacity building of franchisees by running need-based programs to transfer information to the franchisees through training on a continual basis.
- 9.3.10 The SSHF shall develop & issue guidelines, procedures and manuals in all functional / operational areas of the franchise business.
- 9.3.11 The SSHF shall assume responsibility as external quality monitoring activities for all operational functions of franchise business and service delivery. To enact this policy, SSHF shall maintain a team of field-based monitoring officers who will be responsible for franchise activities of a cluster of clinics.



## **Franchise Fee Policy**



#### **9.4 Franchise Fee Policy:**

- 9.4.1 The franchisees shall pay to SSHF a usage fee that will be determined based on market and financial conditions.
- 9.4.2 NGOs that are running existing Smiling Sun clinics and willing to work as franchisees shall not have to pay an initial Franchise Fee to become a member of the franchise network
- 9.4.3 Franchisees from existing NGOs shall not have to pay royalty, a management service fee, or a marketing fee for using the franchise business systems.
- 9.4.4 Future intending franchisees shall have to pay an initial franchise fee, franchise usage fee for franchise items supplied to them, royalty, management fee, marketing fee for using franchise business systems and other intellectual properties.
- 9.4.5 SSHF shall decide to establish a usage fee for franchised items supplied to them, royalty, management fee, marketing fee, and any other fee to franchisees for granting the right to the use of the logo, franchise proprietary items, intellectual property, promotional campaign & management support, central procurement support, franchise business systems, franchise quality monitoring support, etc.



## **Franchise Partnership Policy**



## **9.5 Franchise Partnership Policy**

Smiling Sun Health Franchise (SSHF) shall have direct or CSR partnership with international agencies, corporate citizens, government agencies, NGOs, and individual philanthropists, to mobilize financial & other support to run and strengthen the franchise network. The basis of such partnership with external agencies is as follows:

- a. Shared vision, goals, objectives, and franchised business processes.
- b. Program concepts & business processes fit with the franchise management elements, business model, outlook and management systems practiced by SSHF.
- c. MOU / agreement on how the relationship between the parties shall be managed

### 9.5.1 Government of Bangladesh

SSHF shall work closely in collaboration and cooperation with Government of Bangladesh to promote increased access to ESD services, to ensure quality of care, to advance equity and to secure long-term sustainability.

### 9.5.2 Franchise CSR Partnership

SSHF shall enter into CSR partnership with any external agencies following the guidelines below:

- a. Prospective CSR partner shall share SSHF program policies, objectives, models, guidelines, practices and cost of service delivery
- b. Clean signage for Smiling Sun Logo in all branding fascia.
- c. Comply with all elements of Smiling Sun branding policy
- d. Funds should be routed through SSHF, not directly remitted to the respective NGOs
- e. The partnership shall be managed against a MOU covering all the terms and conditions as agreed upon between the parties.
- f. SSHF shall accommodate CSR funding requirements if they do not contest its branding and business policies.
- g. SSHF shall comply with any reporting requirements of the CSR partners
- h. SSHF shall enter in to partnership which shall not share and agree to comply the MCP, Tiahert and Helms amendment requirements.



### 9.5.3 Areas of Partnership:

- (a) Partnership to pursue Pro-poor health care interventions
- (b) Partnership to obtain support for infrastructure, subsidized goods and commodities, or direct reimbursement/third-party payment mechanisms for the poor and needy patients to expand access to ESD services through the private sector.
- (c) Alliance with healthcare delivery agencies on an agenda of common concern or interests without compromising with SS branding & business policies.
- (d) Partnership with commercial sector (Pharmaceutical companies and distributors) to gain from economy of scale through purchases in bulk quantities of commodities/ contraceptives for the franchise network.
- (e) Partnership for joint promotion / campaign or joint ground activation with leading FMCG companies, ad agencies, development agencies, community activists for common objectives, goals or interest without comprising the SSHF branding policy
- (f) Partnership with other healthcare providers for establishing a comprehensive referral network;

### 9.5.1 Franchisor - Franchisees partnership

- a. The franchisees shall not approach any potential donors without concurrence of the SSHF. All external donors shall be routed through SSHF. Therefore, Franchisee shall not sign any agreement external donors.
- b. The franchisees shall not accept any funds from any other donor other than SSHF which shall directly compete with SSHF program. The Franchisees shall notify the Franchisor of any grants currently being received from 3<sup>rd</sup> party donors for use in the franchised clinics. On signing the franchise agreement with SSHF, franchisees shall renegotiate the agreement with existing third party donors to route the program support through SSHF.
- c. The franchisees shall not enter with any organization which shall not comply or shall not be interested to comply with MCP, Tiaht and Helms amendments.
- d. The franchisees will have the right:
  - i. to use the franchised business blueprint / format at and from the given franchised territory as determined by the franchisor, and



- ii. to use and display the Smiling Sun Logo, look & layouts for running franchised business only. The franchisees, in turn, shall agree that they shall faithfully, transparently and diligently develop and operate the Franchised Clinics, perform other obligations and continuously exert their best efforts to promote the quality of health services and to enhance the Smiling Sun Health Franchise brand.
  - iii. The franchisees must act as the custodian of, in a manner satisfactory to the franchisor, all tangible assets, equipment, infrastructure, look & layout, systems & procedures, quality standards, benchmarks, given as part of franchise agreement as may reasonably require, including, without limitation, maintenance of signs, furnishings, fixtures and decor and upgrading of equipment and software, to reflect the franchisor branding;
- e. The franchisees must produce satisfactory evidence that they have the right to remain in possession of the physical structures where franchise business is housed by way of outright ownership or on valid lease agreement.
  - f. At all times the franchisees shall operate the clinics in accordance with the standards, policies and procedures set forth by the franchisor.
  - g. The franchisees shall notify the franchisor of any unauthorized use of the name or trademark of SSHF.
  - h. To ensure SSHF performance standard the Franchisees shall maintain good relationship with all customers.
  - i. The SSHF shall have the right to enter the franchised clinic site and suggest any modification or alteration necessary to protect the system or to cure any default relating to the franchise clinic without being guilty of trespass or any other crime or tort.
  - j. SSHF shall assist the franchisees to market their services, continue to improve and develop the franchise system and the range of products and services provided.
  - k. The SSHF shall facilitate with the acquisition of equipment and supplies as the central resource.
  - l. The SSHF shall provide direct assistance in national level brand promotion, activation, fund raising to serve poorest of the poor (POP), while the franchisee is responsible for local promotion and ground activation.
  - m. The SSHF shall issue policy guidelines with developing price ranges for services offered from the clinics.



## Franchise Territory Policy



## **9.6 Franchise Territory Policy**

- 9.6.1 This policy shall apply to all relocations franchised clinics or new openings.
- 9.6.2 SSHF shall define franchise territory based on market size for the services offered, preparing detailed maps of the whole country, showing the location of existing and possible Smiling Sun Clinics and satellites along with the locations of all competing government clinics and known private clinics.
- 9.6.3 Franchisees shall operate in defined franchise territories or franchise program catchment areas, which may or may not entirely be the same as the one allocated by DGFP of GOB.
- 9.6.4 SSHF shall not change existing clinics/locations inherited from the Smiling Sun predecessor program, unless the move has sufficient acceptable justifications in terms of SSHF's core business objectives.



## Franchise Branding Policy



## **9.7 Franchise Branding Policy**

- 9.7.1 SSHF owns the Smiling Sun brand identified as the icon for franchise network of high quality healthcare providers.
- 9.7.2 SSHF shall provide right to use the Smiling Sun brand and its logo to the franchisees in the clinics against approved business plan under certain terms and conditions as embodied in the franchise agreement.
- 9.7.3 SSHF and franchisees shall work for strengthening the Smiling Sun brand as high quality healthcare providers and developing strong brand equity.
- 9.7.4 SSHF branding policy shall not allow any franchisee to use smiling sun logo, signage and any other franchise items to run their clinics, which are fully supported by other donors without formal approval of SSHF.
- 9.7.5 SSHF branding policy shall not allow franchisees to use Smiling Sun franchise resources, such as logo & branded items, equipment & assets, promotional materials, administrative & medical setup including human resources, logistics, etc., in their clinics that are not part of the Smiling Sun franchise network.
- 9.7.6 SSHF shall consider embezzlement of Smiling Sun franchise resources, if franchisees use their smiling sun franchise administrative setup and other franchise resources for monitoring & support to those non-smiling franchise clinics.



- 9.7.7 SSHF under such circumstances shall consider procedural and legal actions against non-compliant franchisees including termination of franchise membership.
- 9.7.8 SSHF and franchisees shall not allow other brand used in fascias until Smiling Sun brand is fully established as a high value recognizable logo. However, SSHF and franchisees shall use the donor logo along with the Smiling Sun logo in those documents/places only when a potential conflict of interest is avoided.
- 9.7.9 SSHF and franchisees shall recognize donor contribution and display their identity in all other documents / places as per agreement, but the Smiling Sun signage. Smiling Sun Franchise logo shall have clean fascia.
- 9.7.10 SSHF and franchisees shall display Smiling Sun logo in all signs, aprons, curtains, bed sheets, supplies, stationeries, publications, promotional materials, etc.



## **Franchise Signage Policy**



## **9.8 Franchise Signage Policy**

- 9.8.1 SSHF and Franchisees shall ensure that all signs must look the same. This shall be managed by using single supplier or tight specs to sign manufacturers
- 9.8.2 SSHF shall procure signs centrally
- 9.8.3 SSHF shall lend them to franchisees for their clinics and establishments, if any, against a fee covering their replacement cost and a mark-up to cover investment cost & profit.
- 9.8.4 SSHF shall allow franchisees to use the sign during the validity of the franchisee agreement period. In case of expiry of the agreement or termination of franchisees for any reason whatsoever, Franchisees shall return the sign to SSHF, so that franchisees can no longer able to use the signs after the termination even if they continue to run clinics in their own name.
- 9.8.5 SSHF shall not allow franchisees to produce their own signs in order to maintain conformity with franchise standard and have same look & layout.
- 9.8.6 SSHF shall use its contractors to install signs in various franchised clinic locations according to strict conditions laid down.
- 9.8.7 SSHF shall replace existing signs periodically as necessary in order to maintain a fresh look and layout to the franchised clinics. In most cases, the new signs should be a replacement for existing signs, not additional to them.



## **Franchise Look & Layout Policy**



## **9.9 Franchise Look & Layout Policy**

- 9.9.1 The franchisees shall follow the design, layout, decor, appearance, and lighting; as well as periodic maintenance, cleaning, and sanitation as developed by SSHF in order have same look and layout;
- 9.9.2 The franchisees shall replace obsolete or worn-out improvements, fixtures, equipment, and signs periodic painting, decorating, and remodeling as developed by SSHF;
- 9.9.3 The franchisees shall use interior and exterior signs, emblems, lettering, and logos and the illumination thereof as developed by SSHF; and
- 9.9.4 The franchisees shall make periodic modification of the franchise clinics in accordance with plans, specifications, and directions, at such time or times as provided by the SSHF at franchisees own cost.
- 9.9.5 The franchisees will hang only those materials in franchised clinics which are approved by FMO and following guidelines of FMO.



## **Franchise Communication Policy**



## **9.10 Franchise Communication Policy**

Communication policy of SSHF shall be based on 3-pronged strategy presented as under:

- Communication to donors, supporters & external agencies, i.e., USAID, other donors, investors, organization having a stake in Smiling Sun Franchise.
- Communication internal audience i.e., franchisor & franchises; and;
- Marketing Communication : clients & beneficiaries

9.10.1 SSHF communication policy shall meet the following objectives:

1. Establishing & nurturing relationships with key stakeholders that contribute to the success of SSHF
2. Sharing knowledge through case studies, success stories and other means
3. Providing information on project activities and the success of the Smiling Sun franchise to specific stakeholders, including USAID
4. Meeting USAID's information and communication requirements

9.10.2 SSHF shall keep low interest /low importance groups as mentioned below in the loop for all external communications on project results

- Medical college
- Health training facilities
- Private practitioners
- Other service providers
- International organizations
- Professional Associations

9.10.3 SSHF shall keep high interest / low importance groups i.e., other health projects & implementers informed of the project results.

9.10.4 SSHF shall keep high interest / high importance groups i.e., USAID & Franchisees constantly engaged & satisfied.



9.10.5 SSHF shall stimulate interest & strategically engage the following low interest / high importance groups:

- Potential Franchisees
- Government of Bangladesh
- Potential Investors

9.10.6 SSHF shall apply necessary tools & tactics as found suitable for respective audiences

- Electronic media,
- Distributing Brochures,
- News Letter,
- Workshops with Stakeholders,
- Quarterly and Annual reports,
- Arranging Events,
- Success Stories, etc.

9.10.7 SSHF shall develop communication kits for various categories of audiences.

9.10.8 SSHF shall take highest care in preparing communication kits, such as folders, brochures, success stories, press release, marketing information kit, photographs, etc., for various audiences, not only for giving clear messages, but also serving the best interest of Smiling Sun franchise.



## **Franchise Trademarks, Patent and Copy Right Policy**



### ***9.11 Franchise Trademarks, Patent and Copy Right Policy***

- 9.11.1 SSHF shall register trademarks, patents, & copy right for all proprietary items, such as logo, designs & patterns, look & layout, publications, trademarks, business processes, etc., in order to protect its proprietary right from misuse and malicious use of them by the competitors.
- 9.11.2 Franchisees shall be authorized users of these rights earned by way of franchise agreement.
- 9.11.3 SSHF shall restrict unauthorized use of such trademarks, patents etc., by any persons or organizations.
- 9.11.4 SSHF shall strictly monitor unauthorized use of such trademarks, patents etc., and take legal actions against those violators.



## **Pay and Price Policy**



## **9.12 Pay and Price Policy**

- 9.12.1 SSHF shall issue pricing policy guidelines to franchisees and provide a price range for each of the services to be offered by franchisees. Franchisees shall enjoy flexibility to decide a price within the range.
- 9.12.2 SSHF shall follow a market-based product & services pricing approach taking in to account the competitors' price, business objectives including sustainability issue of franchise, and affordability to the people in the catchments area.
- 9.12.3 SSHF shall study sensitivity of pricing strategies in pilot clinics and establish the policy based on the experiences.
- 9.12.4 SSHF shall offer free services to 30% of the customers in order to provide a safety net for economically underprivileged.
- 9.12.5 SSHF shall offer free services for those who can't afford the cost.



## **Franchisees Contractual obligations**



### **9.13 Franchisees Contractual obligations**

The franchisees shall have a contractual obligation to abide by the following rules and standards:

- 9.13.1 Maintaining service quality offerings, user focused/friendly service orientation (counseling and health information) and compulsory good dispensing practice;
- 9.13.2 Paying franchise fees;
- 9.13.3 Adhering to a standardized retail outlet design and color and a uniform system of display and retail management;
- 9.13.4 Offering a standard range or price of services and goods;
- 9.13.5 Providing transparency to the patient: services/products with price lists clearly displayed;
- 9.13.6 Gathering public health statistics to provide to the franchisor;
- 9.13.7 Participating in health information and promotion campaigns;
- 9.13.8 Abiding by standardized stock management, sales reporting, and patient monitoring systems.
- 9.13.9 Franchisees shall follow the Planning process and formats designed by the Franchisor



## Franchise Quality of Care



## 9.14 Franchise Quality of Care

Building & capturing the value of the Smiling Sun Franchise is not enough; the ideal franchisee is one whose concern is for quality. *If the franchisees are right in this direction, half the battle is won; and if not, no amount of policing will help.*

- 9.14.1 SSHF shall offer high quality health services. It will encourage compromise with quality issues in order to uphold franchise quality standards.
- 9.14.2 SSHF shall set & follow service standards & benchmarks in conformity with global standards based on best available practices & technologies as well as the clinical practices & standards established by Govt. for assuring and maintaining quality healthcare management system.
- 9.14.3 SSHF franchised clinics shall strictly document clinical & medical procedures performed strictly adhering to these protocols and procedures.
- 9.14.4 SSHF shall build, enhance and maintain high level of technical capacity of the medical team to assure quality delivery of services through:
  - ✓ Imparting training to update service providers on the best practices and make them capable of turning learning into practice.
  - ✓ BCC for building awareness and motivating clients to follow best hygiene & healthcare practices (e.g. single-use needles for injections) at franchise clinics.
  - ✓ Sanctions to service providers for not complying with franchise standards & benchmarks. SSHF shall develop these measures.
- 9.14.5 SSHF shall apply BCC in all program activities of the Franchise to induce change in health seeking behavior.
- 9.14.6 SSHF shall develop and use indicators for monitoring the quality of services offered.
- 9.14.7 SSHF shall develop a variety of direct and proxy measures for franchisees linking with client perceptions of quality



- 9.14.8 SSHF shall document the proper use and disposal of single-use needles, availability of sterilization methods, stock of medicines and associated materials, cleanliness of consulting and operating rooms, the number of clinical procedures done each month and knowledge of potential side effects associated with the franchised services, etc.
- 9.14.9 SSHF shall practice consumer-driven quality assurance through introducing voucher program where consumers can “vote with their feet” if they do not receive quality services from an accredited provider in the network.
- 9.14.10 SSHF shall develop and introduce consumer feedback system through exit interviews or other suitable methods on the standard of services offered. The franchisees shall make an all out effort to improve the quality of reproductive health, Child Health, and communicable disease control (ANC/PNC, EmOC, Delivery, EPI, IMCI etc. ).
- 9.14.11 SSHF shall remove from the network the franchisees who will not meet the standards & benchmarks, despite rigorous support provided. In such a situation, franchisees shall be forbidden from using and displaying the Smiling Sun Logo and other brand items.
- 9.14.12 SSHF shall institutionalize the quality monitoring process by using Clinical Quality Council (CQC) created through membership of franchisees. CQC shall play a pivotal role for quality monitoring working within the framework of franchise quality monitoring process established.
- 9.14.13 The SSHF shall use CQC for conducting rigorous field based quality audits and other external quality audits when necessary;



## **Franchise Items Supply Policy**



### **9.15 Franchise Items Supply Policy**

The Smiling Sun Social Franchise FMO shall have quality assurance and service consumer satisfaction as key guiding principles. To assure this, the FMO shall procure supplies and equipment of superior quality centrally, with a view to ensure that the cost is beneficial to all partnering members. The FMO looks to foster a sustainable win-win relationship that involves participating NGOs and franchise suppliers. The principles of managing this supply are as follows:

- 9.15.1 SSHF shall supply certain franchisee items, such as equipment, furniture & fixtures, curtains, uniforms, signs, stationeries, etc., to franchisees in order to maintain same quality standards and same look & layout.
- 9.15.2 SSHF shall replace equipment and other items supplied when they have reached the point of obsolescence. In general, equipment can be used even after it is completely depreciated; however, obsolescence is a critical matter when ensuring quality.
- 9.15.3 For certain high tech equipment such as computers & software dependent diagnostic equipment, sonograms, etc., five years is considered adequate productive life. SSHF will determine when to replace to keep pace with technology change and ensure quality of care.
- 9.15.4 Similarly, SSHF shall replace uniforms every year, or as and when necessary, ensuring that all those serving the clients have a professional respectable and pristine look.
- 9.15.5 All clinics will have to look the same. It is not just appearance, but also the equipment, and supplies (like uniforms) play a role. The SSHF shall assure, through centralized procurement, that all clinics and all those working in them are unmistakably perceived by our customers as members of the same organization.
- 9.15.6 SSHF shall periodically renovate supplies and equipment to ensure that clinics are up to par in quality.
- 9.15.7 SSHF shall cover all items supplied by insurance and warranties ensuring free cost of maintenance (including service and spare parts) for relevant equipment. It is in the best interest of the SSHF to keep equipment working, therefore, opportune assistance will be part of this service.



## **Franchise MIS policy**



### **9.16 Franchise MIS policy:**

- 9.16.1 SSHF shall have fully equipped & web-based MIS systems in place with appropriately qualified & trained computer & MIS professionals. SSHF shall provide computers with necessary software & internet connectivity to all franchised clinics and NGOs.
- 9.16.2 SSHF shall develop or acquire necessary software & tools to support MIS program. SSHF shall use existing manual system of recording of program activities until web-based system is ready. SSHF shall tryout web-based monitoring system in 3 pilot clinics before installing in other clinics.
- 9.16.3 SSHF shall use MIS team for capacity building in IT at franchisee level to enable operating web-based MIS systems.
- 9.16.4 SSHF shall use MIS team to train franchisees and SSHF staff to use the MIS systems appropriately.
- 9.16.5 SSHF shall use MIS online systems to document all transactions in terms of patient details, medical services performed, products & services sold, inventory of stock in the health mart to support zero-stock out policy, all financial transactions and informed decision making.
- 9.16.6 SSHF shall use MIS online systems to document QMS activities
- 9.16.7 SSHF shall use MIS online systems to monitor MCP, Tiahrt and Helms amendments compliance
- 9.16.8 SSHF shall use MIS online systems to help business monitoring unit with performance records of each franchisee.
- 9.16.9 SSHF shall use MIS online systems for monitoring field activities and document findings from field visits.
- 9.16.10 SSHF shall use MIS online systems to analyze training needs and franchise training programs.
- 9.16.11 SSHF shall use MIS online systems to present performance reports and various analytical reports for informed managerial decisions and to various stakeholders.
- 9.16.12 SSHF shall use MIS online systems to present essential research findings for managers & stakeholders about current trends and business environment.
- 9.16.13 SSHF shall update MIS systems periodically to make it need-based & contemporary.



## **Franchise Monitoring Policy**



## **9.17 Franchise Monitoring Policy**

- 9.17.1 The purpose of franchise monitoring is to ensure that the clinics deliver services as per the standards set by franchisor.
- 9.17.2 The aim of the monitoring support staff should be to identify areas of weakness and to formulate and carry out improvement of programs so that performance and client experience are consistent across the network.
- 9.17.3 The underlying principle of monitoring activities is improvement, rather than inspection leading to penalties.
- 9.17.4 The SSHF shall take full responsibility for franchise monitoring within the network to ensure that the standards are installed and maintained, achieving actual results of treatment, soliciting and reacting to client feedback and carrying out remedial training;
- 9.17.5 Existing NGO monitoring staff should be brought under direct control of SSHF.
- 9.17.6 SSHF shall use a franchise technical support team, franchise development team and franchise operation team under the guidance of the franchise advisor & franchise manager to set franchise quality standards, benchmarks, business processes, procedures, guidelines etc.
- 9.17.7 The SSHF shall monitor quality of services offered by the franchisees according to the franchise quality assurance program and against the franchise quality standards.
- 9.17.8 The SSHF shall conduct extensive analysis of their service quality; pricing and financial management and fits with SSHF brand. Only those aspects of service quality that are observable and verifiable will be monitored;
- 9.17.9 The SSHF staff shall undertake routine field visits to clinic/NGO locations to monitor franchise operation and service quality. During field visit they will follow a 'quality checklist' and document their observations as part of quality assurance program of Franchise operation.
- 9.17.10 The SSHF technical & monitoring teams shall ensure that franchisees are applying program strategies jointly developed and working appropriately in key result areas in order to achieve program objectives.



## **Franchise Termination Policy**



## **9.18 Franchise Termination Policy**

- 9.18.1 Ejection from the franchise should be viewed as a last resort (cure period will be provided for in the franchise agreement).
- 9.18.2 In the event of poor performance – fiscal/ clinical/hygiene/banding/business standards etc. (as defined in the Legal Agreement and the procedures manuals), the Franchisor shall do everything possible with the Franchisee to cure the problem.
- 9.18.3 This may be achieved by advice and guidance from the Franchisor team or even by Franchisor staff, or staff from the NGO actually going into the clinic to re-train and reinstall systems and procedures.
- 9.18.4 If this is not effective (and the Legal Agreement should specify the “cure period” allowed – normally three to six months), the Franchisor shall inform the Franchisee that the clinic will no longer be considered part of the Smiling Sun network. Signs (see comments under “Sign Policy” re-ownership of signs) and all franchise materials and systems must be returned to the Franchisor.
- 9.18.5 This ejection shall lead to transferring to other franchisees or closer of the Clinic.



## **Franchise Accounting & Financial Policy**



### **9.19 Franchise Accounting & Financial Policy**

- 9.19.1 The SSHF shall follow mercantile system based on Generally Accepted Accounting Principles (GAAP). The accounting shall be based on an ongoing concern concept rather than short term project.
- 9.19.2 The SSHF shall consider each clinic run by the franchisees as an independent entity for the purpose of accounting. Accounting year shall start from 1st June and end 30th May each year.
- 9.19.3 SSHF shall develop well defined accounting and financial management procedures for itself and franchisees. This financial procedures guideline shall define scope of accounting, accounting process, accounting documents maintained, stock registers, financial controls & financial reporting for SSHF and franchisees.
- 9.19.4 Franchisees shall keep the accounting records always updated so as to enable SSHF working with latest financial positions of the franchisees.
- 9.19.5 Franchisees shall maintain a grant account, a Revolving Drug Fund (RDF) account, and a Program fund account as required by SSHF & USAID grants requirements.
- 9.19.6 Accounts of SSHF and franchisees shall be subject to external audits, annually or as required to maintain effective accounting discipline and control.
- 9.19.7 SSHF shall conduct financial reviews, financial QA compliance and monitoring visits to Franchisees HQ and clinics.
- 9.19.8 SSHF shall disburse/reimburse funds on receipt of acceptable and properly documented financial reports representing fair view of the franchisees accounts and financial position.
- 9.19.9 SSHF will engage external auditors to conduct annual financial audit of Franchisees.
- 9.19.10 The SSHF and franchisees shall preserve financial books and records such as vouchers, cash book, ledger, stock register, asset register, payroll books, purchase documents, sales invoices, financial reports and statements, other registers and their related supporting paper and documents preserved safely for a period of 7 years on completion of the external audit.
- 9.19.11 The SSHF shall setup strong controls by displaying prices in all franchise locations and create explicit systems for fee collection, recording & accounting, and uniform inventory control practices.



## **Franchise Procurement Policy**



## **9.20 Franchise Procurement Policy**

- 9.20.1 SSHF shall establish technical standards, specifications and install central procurement processes for all equipment, look & layout items, drugs & medicines, health mart items, training, consultancies, etc. that must be observed by whole network.
- 9.20.2 SSHF shall make procurement centrally but for the supplier to deliver direct to franchisees and their clinics as SSHF shall not engage itself in warehousing or trucking that shall be necessary at Franchisor level.
- 9.20.3 SSHF shall act as a wholesaler, not only to maintain same quality standards in all supplies consumed in and products sold through franchise network, but also it shall act as a major income generator for the future sustainability of SSHF.
- 9.20.4 In future, SSHF consider “Own Brand” supplies either brought in or manufactured locally.
- 9.20.5 SSHF shall offer all procurement services as above against a fee or commission.
- 9.20.6 Franchisees shall continue current practice of procurement until an effective procurement system with sound inventory management principles at SSHF is ready & installed.
- 9.20.7 Franchisees at corporate or clinic level shall continue purchasing arrangements for those items which shall not be supplied by the SSHF.
- 9.20.8 SSHF shall approve local purchases as per technical standards laid down in the procedures / manuals.
- 9.20.9 The SSHF shall act as supply chain manager of the network for all stock items including vaccines and supplies as part of its business activity for income generation and future sustainability. Franchisees are obligated to use this supply chain.
- 9.20.10 SSHF shall observe USAID protocols for procurement in fulfillment of contractual obligations.
- 9.20.11 SSHF shall supply all of the furniture and fixtures including computer hardware, software and equipment required for the operation of the Franchise on rental basis.



- 9.20.12 SSHF shall maintain the principle of value for money in all procurement deals. Quality standards and the cost shall be the determining factors for sourcing the supplies.
- 9.20.13 SSHF shall maintain optimal level of stock/inventories with the Franchisees.
- 9.20.14 SSHF shall pass goods purchased through rigorous quality control procedure while receiving and storing the materials. All receipts shall be duly certified by competent person regarding the quality & condition of the goods supplied.
- 9.20.15 SSHF shall short list genuine manufacturers, dealers or suppliers following a competitive bidding process and sign purchase agreement for a mutually agreed period to ensure fairness and uninterrupted supply.
- 9.20.16 SSHF shall enforce zero stock policy with sound inventory planning and reasonable lead time for stock replenishment, efficient ordering process and stock monitoring systems in place.
- 9.20.17 SSHF shall plan all procurements on the basis of consumption & sales patterns according to clinics' business plans & forecasts. Procurement plans shall be updated on quarterly basis based on actual stock movements experienced during the quarter.



## **Franchise Sales Policy**



## 9.21 Sales Policy

- 9.21.1 All sales transactions made within the SSHF network shall be in Concurrence with the Franchisor authority, guided by this policy document.
- 9.21.2 Sales prices shall be determined according to the pricing policy stated in this policy guideline or have to be approved by the franchisor authority in writing.
- 9.21.3 Transactions shall be supported by documentations like: vouchers, cash-memo, Money receipts, etc.
- 9.21.4 Franchisees shall report each and every sales transactions in summary form in their monthly reports, supported by signed copy of appropriate documents.
- 9.21.5 All sales transactions shall occur on cash basis.
- 9.21.6 In all franchise clinics sales promotions like : discounts, coupons, commissions, Waiver, etc. shall be in concurrence to the franchisor, and franchisees shall report those in summary form along with their monthly financial reports



## HR Policy



## **9.22 HR Policy**

9.22.1 The SSHF is an equal opportunity employer. It recruits, selects, promotes, trains and compensates the most capable and qualified individuals without discrimination because of race, color, religion, ancestry, age, sex, national origin or handicap. Selection, placement, promotion, training and compensation are based solely on a person's qualifications and efficiency.

9.22.2 SSHF shall employ only those who are eligible to work in Bangladesh.

9.22.3 The SSHF functional areas shall be Contract/Grants, Technical service, Business Development, Franchise Operation, MIS and M&E, etc.

9.22.4 SSHF shall decide on staff requirement, staff job responsibility, staff compensation package, employee privileges, etc. from time to time based on market rates.

9.22.5 SSHF view staff as most valuable resource. Central to SSHF HR policy is that the dignity and self-esteem of each employee recognized and respected. This applies to employees at all levels, from clinics to HQ.

9.22.6 It requires that managers and supervisors deal with their subordinates fairly, honestly and openly.

9.22.7 The SSHF has a flat type staff structure. SSHF shall review organizational structure & staffing pattern periodically for greater effectiveness.

9.22.8 The SSHF shall create a participative and cooperative working environment to achieve strategic objectives.

9.22.9 The SSHF will enhance employee health providing medical benefits, so as to reduce staff compensation, reduce absenteeism and ultimately increase quality of services.

9.22.10 Trade unionism

Most of the employees in SSHF are officers, hence, not eligible for forming a trade union. Thus SSHF shall maintain:

- a. A demonstrated respect by management at all levels for the staff as an individuals and for that their contributions.



b. Active programs of communication which provide employees with the information and knowledge necessary to gain an understanding of the business as it relates to their jobs and careers.

c. Career growth opportunities so that qualified employees are considered for job openings before outside candidates are sought. Under no circumstances should any discussion about a job opening be held with a candidate or potential candidates without prior approval of the candidate's supervisor.

#### 9.22.11 Staffing

- a. SSHF and franchisees shall have the necessary man power in terms of the complexity and the volume of the franchise business undertaken.
- b. SSHF and franchisees shall work for strong management capacity building and develop a sound business management culture within the franchise network.
- c. The SSHF and franchisees shall conduct all recruitment following recruitment procedures based on the qualifications, experience and competencies required in the position.
- d. SSHF and franchisees shall conduct the recruitment process through a competitive basis and by demonstration of a high degree of fairness.
- e. In case of hiring professionals, SSHF and franchisees shall keep records of the Professional Licenses, Permits and Certifications received by their employees.
- f. An employee shall be declared unfit for work if he has mental or physical disability, impairment, or condition that is reasonably expected to prevent such person from undertaking his or her customary duties with respect to managing and supervising the franchised business.
- g. Employee services will be regulated as per terms and conditions set in the appointment and or contract;
- h. SSHF has a well structured performance monitoring and development plan for staff. Performance of the staff shall be measured against objectives mutually agreed by staff and their supervisor through a participatory discussion session held each quarter.
- i. SSHF shall define all terms and conditions for employment of staff in accordance with the existing laws of Bangladesh
- j. The Franchisees shall need to request prior approval of SSHF to recruit "key" positions like – Project Director, Medical Director, Finance Manager etc.



#### 9.22.12 Staff Training

- a. The SSHF shall organize training in all areas of management and operation of the franchised business. Franchisees shall avail with the basic training program offered/organized by franchisor for franchisee personnel.
- b. SSHF shall organize competency based training for all franchisee personnel in all relevant fields including clinical, EOC, marketing & communication; accounts & financial management; training on information & computing technology; leadership & management, etc.
- c. SSHF shall plan only need-based training using competency analysis. All trainings shall be followed-up and impact of the training shall be measured.
- d. SSHF shall explore prospects for establishing a training institute for sustaining quality training with accreditation of the training program. This shall only be done as part of income generation activity of SSHF.



## **Franchise Staff Pay Policy**



### **9.23 Franchise Staff Pay Policy**

- 9.23.1 SSHF shall pursue a market-based fair employee compensation plan in conformity with USAID rules. SSHF and franchisees shall maintain and follow a consistent compensation plan for attracting and retaining productive employees.
- 9.23.2 The SSHF employee compensation plan shall have a range of employee benefit packages, so that franchisees can apply conveniently depending upon the market value of the employees.
- 9.23.3 SSHF shall make periodical adjustments of salary & benefit packages for the inflation factor as well as performance oriented rewards.



## **Franchise Fund Raising Policy**



## **9.24 Franchise Fund Raising Policy**

- 9.24.1 SSHF needs to raise funds for providing support to franchisees to serve economically & socially underprivileged people at a free or subsidized price. Conceptually this can be done in several ways, such as:
- a) Direct contribution to the franchise development fund
  - b) Contribution in kind – such as equipment, medicines & other supplies
  - c) Sponsoring programs & events
  - d) Offering a health insurance scheme
  - e) Collection of zakat for serving the POP
  - f) Underwriting, subsidizing & paying for cost of services
  - g) Demand side financing
  - h) Distribution of family cards to target population
- 9.24.2 Franchisees shall not accept contributions from corporate citizens, donor agencies, or any source directly, but they can sell cards, service tickets and sponsorships in collaboration with SSHF. Such collection of fund shall be entered in to the SSHF monitoring systems for transparency.
- 9.24.3 Franchisees shall therefore convert all existing MOUs related to funding of Smiling Sun clinics in to a tripartite MOU to include SSHF.
- 9.24.4 SSHF shall explore prospect for fund raising from bilateral donors, such as CIDA, EU, DfID, Norad, SIDA.
- 9.24.5 SSHF shall focus and intensify its activities for gaining public-private partnerships for free service to the poor and ultra poor.
- 9.24.6 SSHF shall explore prospects for raising funds from Bangladeshi Diaspora in western countries.
- 9.24.7 SSHF shall explore prospect for developing a supporter/volunteer database with regular contributors to SSHF such as western countries to ensure regular cash flow by developing & offering various products for underwriting the cost of services to poor.
- 9.24.8 SSHF shall develop a target oriented fund raising campaign.
- 9.24.9 SSHF shall use the raised fund in the following areas:
- (i) to establish Clinics, (ii) offering free services to POP, and
  - (iii) meeting fixed and operating cost of Clinics.



## **Transparency/Accountability and Anti-corruption Policy**



### **9.25 Transparency/Accountability and Anti-corruption Policy**

- 9.25.1 The SSHF and the franchisees shall ensure that all activities carried out under franchise business systems are transparent and accountable to stakeholders.
- 9.25.2 The SSHF policy shall pursue zero tolerance for corruption, fraud, theft, maladministration or any other dishonest activities.
- 9.25.3 The SSHF shall develop necessary systems and management controls to prevent incidence of corruption, fraud, theft, maladministration or any other dishonest activities.
- 9.25.4 All Heads of Units/Clinics shall be responsible for detection, prevention and investigation of all corruption, fraud and maladministration.
- 9.25.5 The SSHF shall investigate all suspected irregular activities and follow up with disciplinary or legal actions including the application of all remedial measures available within the full extent of the law.
- 9.25.6 SSHF shall develop its own investigation process built in the operating procedures.
- 9.25.7 All employees of SSHF and franchisees shall consider efficient application of anti-corruption regulations as one of the most important duties.
- 9.25.8 SSHF shall under no circumstances relax or compromise with provisions of this policy.
- 9.25.9 SSHF shall not allow franchisees any unlawful or improper use of funds for purpose. This illegal use shall include payment to political contributions, terrorist organizations, bribe to government or other officials.
- 9.25.10 SSHF & franchisees shall promote a high degree of transparency, accuracy and accountability in procurement, staff salary, program documentation, publication, accounts keeping and reporting. Franchisees shall display rate chart in each of their clinics against services offered.
- 9.25.11 SSHF shall form an ethical sub-committee to guide and oversee ethical standard and guidelines.
- 9.25.12 Employees of SSHF and franchisees shall avoid conflicts of interest and report to the ethical committee through their supervisors if any such situation appeared where there is conflict of interest perceived.
- 9.25.13 No employee of SSHF or any member of an employee's family, shall accept anything of any value from suppliers of material or services



## **MCP, Tiahrt, & Helms Monitoring Policy**



## **9.26 MCP, Tiahrt and Helms Monitoring Policy**

- 9.26.1 Franchisees will be responsible for on-going MCP, Tiahrt, and Helms compliance and are required to implement the monitoring system ( as per SSHF requirement) at the clinic level.
- 9.26.2 Mexico City Policy (MCP), Tiahrt and Helms amendments strict compliance will be monitored by the franchisor at all level of service provision.
- 9.26.3 The current compliance and oversight system helps promote a clear and rational way of verifying violations and taking appropriate and timely action.
- 9.26.4 Having transparent and rational systems in place to monitor compliance to Mexico City Policy (MCP), Tiahrt, and Helms requirements, and taking timely action on reported violations, will continue to be critically important under SSHF.
- 9.26.5 Any franchisees found to be in violation of Mexico City Policy (MCP), Tiahrt and Helms amendments, shall be immediately terminated from the membership network and disqualify for further assistance.
- 9.26.6 In such as situation, franchisees shall return all the money received from USAID in various forms since establishment of the clinics to SSHF.
- 9.26.7 Violation of any of these conditions shall lead to termination from the membership of SSHF network.