

**UNIVERSITY OF NIGERIA, NSUKKA  
FACULTY OF SOCIAL SCIENCES  
DEPARTMENT OF POLITICAL SCIENCE**

**TOPIC:**

**BARBING SALOON  
SHIRKINA GLORY BEAUTY PARLOUR**

**A BUSINESS PLAN  
PRESENTED IN PARTIAL FULFILLMENT FOR THE  
REQUIREMENT OF THE COURSE: BUSINESS  
DEVELOPMENT AND MANAGEMENT (CED 342).**

**BY:**

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2014/196516**

**LECTURER: DR. MRS. T.C. NWAOGA**

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## **1.0 EXECUTIVE SUMMARY**

1.1 The following report and recommendation relate to the proposal of Barbing Saloon at University of Nigeria Nsukka student shopping complex in Nsukka Local Government Area in Nsukka, Enugu.

1.2 The project would require a start up capital of N3,500,000 made up of N1,000,000 as owner equity and N2,500,000 as the expected investment.

1.3 The enterprise to provide quality contemporary and accessible beauty services to the university population and it's environment.

1.4 The project will be located at student shopping complex in University of Nigeria Nsukka because of availability of large and fast growing market

1.5 The financial projections indicates that the project would be profitable and stable by the time it matures. Income stand at N2,798,000, 2,898,000, 3,600,000, 3,750000 for year one, year two, year three and year four respectively;

Profits after expenses are as follows:

N2,049,000 for first year

N2,104,000 for second year

N2,517, 000 for third year

N2,625,000 for fourth year

## **PART II SHIRKINA GLORY BARBING SALOON**

### **2.0 INTRODUCTION**

There is need for an ideal barbing saloon which will meet up to the contemporary standards, “SHIRKINA GLORY BEAUTY PARLOUR’ has come to provide university population and its environment with quality and improved beauty services as found in cities like Port- Harcourt, Enugu , Abuja , Lagos etc.

### **2.1 VISION**

To provide quality contemporary and accessible beauty services to the university population and its environment.

### **2.2 MISSION**

- To provide quality beauty services by the use of conventionally machines.
- To provide contemporarily beauty service by employing the services of experts.
- To provide a healthy customer – employee relationship by providing a customer centered services.

### **2.3 BUSINESS OWNERSHIP**

SHIRKINA GLORY BEAUTY PARLOUR is a sole proprietorship business owner by master Arum Oliver A.

### **2.4 LOCATIONAL FACTORS**

- Fast growing economic area
- High concentration of the major market, UNN girls and boys.
- Easy access to source of materials

## **PART III**

### **3.0 SERVICES AND PRODUCTS**

#### **3.1 Products**

- Cosmetics
- Eye lashes
- Nails
- Weavons
- Shampoos and hair conditioners
- Hair creams

#### **3.2 SERVICES**

- Quality hair styles
- Make-ups
- Hair cuts
- Nail fixings
- Manicure and pedicure braiding

#### **3.3 MARKET DEMAND**

Shirkina Barbing Saloon will be located at University of Nigeria, Nsukka student mall, which is close to the major concentration of university girls hostels and major areas of the school premises.

The information on the market demand in the area reveals that 70% and above of females and 30% and above of the males demands for this high quality beauty services.

Analysis of the market demand shows that not more than 40% of the market demand are met by the already existing barbing saloons.

### 3.4 ACTION PLAN

<b>Month</b>	<b>Action</b>	<b>Personnel in charge</b>
First month	<ul style="list-style-type: none"> <li>• Renting of business premises</li> <li>• Purchase of furniture, fixture and equipments</li> <li>• Remodeling of the business area.</li> </ul>	Managing director
Second month	<ul style="list-style-type: none"> <li>• Setting of work flow</li> <li>• Recruitment of employee</li> </ul>	Managing director
Third month	<ul style="list-style-type: none"> <li>• Advertisement</li> </ul>	Work employees
Fourth month	<ul style="list-style-type: none"> <li>• First quarterly meeting</li> </ul>	Managing director and employee
Fifth month	<ul style="list-style-type: none"> <li>• Free beauty service</li> <li>• Promotional services</li> </ul>	Employees
Sixth month		
Seventh month		
Eight month	<ul style="list-style-type: none"> <li>• Second quarterly meeting</li> </ul>	Managing director and employee
Ninth month		
Tenth month	<ul style="list-style-type: none"> <li>• Promotional services</li> </ul>	Employees
Eleventh month		
Twelfth month	<ul style="list-style-type: none"> <li>• Balancing of account</li> <li>• Final quarterly meeting</li> </ul>	Sale person and managing director Employee and managing director

## PART IV

### 4.0 MARKET ANALYSIS

#### 4.1 (TARGET CUSTOMERS)

- Students
- Lecturers
- Bankers
- Non-academics staff
- Nsukka population

#### **4.2. MARKET SEGEMENTATION**

**Retail:** University population like students, lecturers, bankers and non-academic staffs.

#### **4.3 competitive analysis**

Shirkina Glory Barbing saloon stands to compete with the following:

- Hair saloons near SUB
- Hair cut services like hilltop and male hostel
- Hair saloons at towns

## **PART V**

### **5.0 Business Strategy**

#### **5.1 MARKETING PLANS**

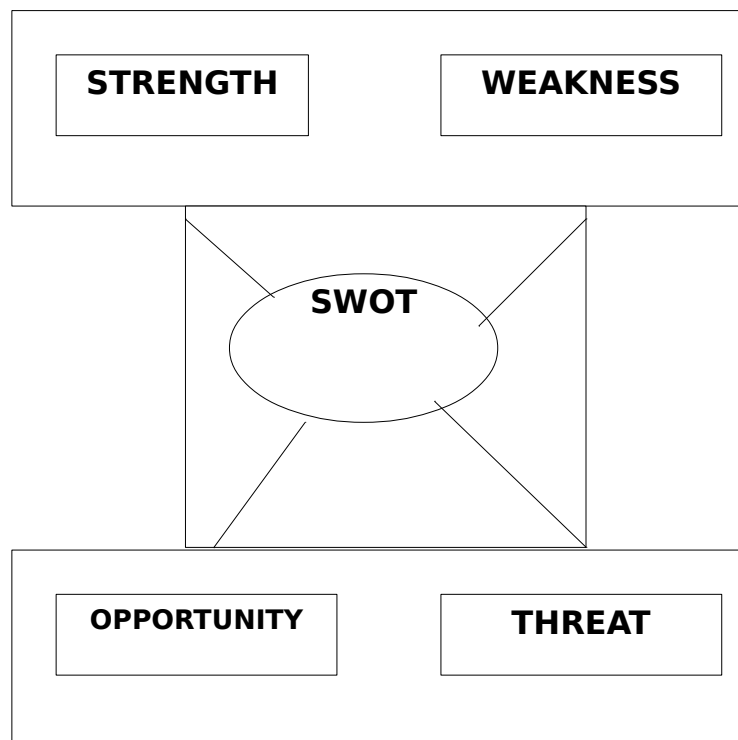
Solution barbing saloon hopes to stand out from other saloons by offering improved and quality contemporarily services such as healthy customer- employee relationship, quality beauty service by professionals and use of conventional machines.

#### **5.2 MARKETING STRATEGIES**

Having quality and distinction as our modus operandi, Solution barbing saloon will adopt the following plans:

- Employ competent staff and professionals.
- Give trade discount to our customers.
- Have eatery facilities like refrigerator and snacks case.
- Promotion and bonanza.
- Have a television to entertain our customers (waiting for our services).
- Keep accurate inventory records.
- Use of water dispenser for adequate drinking water for customers.

### 5.3 SWOT Analysis



#### 5.4 STRENGTH

- Dedication of service
- Security assurance.
- Efficient delivery system
- Steady power supply
- Professionalism.

#### 5.5 WEAKNESS

- Inadequate start –up capital



- Inadequate customers during seasonal occasion like Christmas because most student traveling back home.

## **5.6 OPPORTUNITY**

- Presence of literates
- Good relationship with university population as a whole
- The proximity of Shirkina Glory barbing saloon to student's residential houses or hostels.

## **5.7 THREAT**

- Some students are already customers to other Hair styling centre already existing.
- Problem of competency because Shirkina Glory barbing saloon is a new establishment
- Students sees it as an expensive service due to the presence of low quality hair services which is cheap.

## PART VI

### 6.0 OPERATIONS

#### 6.1 MANAGEMENT (HUMAN RESOURCES)

In a bid to ensure effective management and to achieve its desired mission, Shirkina glory barbing saloon will employ the following staff and professionals. The professionals will be paid weekly while the staffs are paid salary on monthly basis.

#### FIRST YEAR AND SECOND YEAR PAYMENT SCHEDULE;

Positions	Weekly Wages	MONTHLY	YEARLY
Hair stylists (6 males)	₦5000 (30,000)	₦120,000	1,440,000
Nail technicians (2 males)	₦4000 (8,000)	₦32,000	384,000
Make-up Artists (2 females)	₦3000 (6,000)	₦24,000	288,000
Hair Barbers ( 2 males )	₦2500 (5,000)	₦20,000	240,000
Braider 1 female	₦2000	₦8000	96,000
<b>TOTAL</b>		₦204,000	2,440,000
<b>STAFFS</b>	<b>MONTHLY</b>	<b>NUMBER OF</b>	
	<b>SALARIES</b>	<b>WORKERS</b>	
Manager / sales person	₦15,000	1 (male)	180,000
Cleaner	₦8,000	1 (female)	96,000
	<b>₦23,000</b>		276,000

After the first and second year, the payment schedule were changed as follow:

#### 6.1 WAGES AND SALARIES

Position	Weekly	Monthly	Year
Hair stylists	6000	144,000	1,728,000

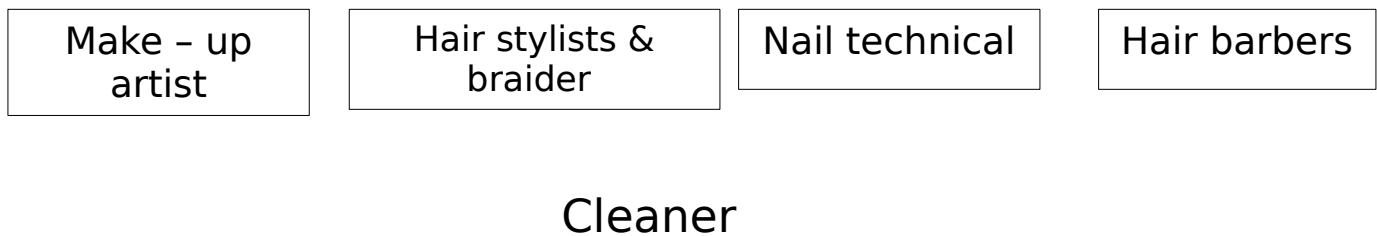
(6 males)	(36,000)		
Nail technicians	5,000	40,000	480,000
(2 males)	(10,000)		
Hair barber	3000	24,000	288,000
(2 males)	(6000)		
Braider	25000	10,000	120,000
(1 female)	(2500)		
	Total	250,000	3,000,000

Staff	Monthly	Yearly
Manager	N25,000	300,000
/salespersons		
Cleaner	N15,000	180,000
	N40,000	480,000

## ORGANIZATIONAL STRUCTURE

### MANAGING DIRECTOR (OWNER)

#### SALES PERSONS/ MANAGER



## 6.2 FUNCTION OF THE EMPLOYEES

### SALESPERSONS/MANAGER

- He is the one that controls all the activities in the Shirkina glory barbing saloon
- He is incharge of monthly payment and weekly wages
- He collect cash from the customers
- He records the cash inflow and outflow

### CLEANER

- He ensures that the saloon is clean at all times
- He undertake short distance errands

### HAIR STYLIST

- They ensure that a customer are attended to with their proper hair desire.
- They take care of all the hair services operation.

**MAKE-UP ARTIST**

- They ensure proper make-up for the customers
- They also perform manicure and pedicure

**NAIL TECHNICIAN**

- They ensure proper nail fixing for the customers
- They ensure proper nail design for the customers

**HAIR BARBERS**

- They ensure proper hair cut for the customers
- They ensure shaving for the customers

**BRAIDERS**

- She ensure proper braiding for the customers

**6.3 SCHEDULE OF OPERATIONS**

The Shirkina Glory barbing saloon are to open 8am to 8pm from Monday to Saturday and 12pm to 6pm on Sunday .

## **PART VII**

### **7.0 Risk Analysis**

The inherent risks pertaining to the setup of this saloon include:

- Breakdown of water supply
- Cosmetics degradation in the storage room
- Fire out break

### **POSSIBLE SOLUTIONS**

- Maintenance of proper storage conditions
- Proper inventory control and purchase of authentic products
- Installation of fire extinguishers

## PART VIII

### 8.0 FINANCIALS

#### 8.1 Profit and loss

Turnover	Year 1	Year 2	Year 3	Year 4
Sales of goods	1,500,000	2,000,000	2,200,000	2,500,000
Cost of goods	1,150,000	1,550,000	1,600,000	1,750,000
Profit from sales	350,000	450,000	600,000	750,000
Tax (loss)	36,000	48,000	48,000	60,000

#### 8.2 INCOME

Income	Year 1	Year 2	Year 3	Year 4
Wages paid to the owner	2,448,000	2,448,000	3,000,000	3,000,000
Profit from sales	350,000	450,000	600,000	750,000
Total income	2,798,000	2,898,000	3,600,000	3,750,000

#### 8.3 OPERATING EXPENSES

##### Utility cost

Utility cost	Year 1	Year 2	Year 3	Year 4
Water supply	20,000	30,000	35,000	40,000
Electricity	60,000	65,000	70,000	80,000
Petrol	192,000	200,000	210,000	215,000
Total	272,000	295,000	315,000	335,000

##### ADMINISTRATIVE COST

Administrative Cost	Year 1	Year 2	Year 3	Year 4
Tax	36,000	48,000	48,000	60,000
Rent	100,000	100,000	150,000	150,000
Salaries	276,000	276,000	480,000	480,000
Total	412,000	424,000	678,000	690,000

## MAINTENANCE COST

MAINTENANCE COST	Year 1	Year 2	Year 3	Year 4
Equipment	30,000	35,000	45,000	50,000
Building	15,000	20,000	20,000	25,000
Office furniture and fitting	20,000	20,000	25,000	25,000
	55,000	75,000	90,000	100,000

## 8.4 SUMMARY

### Total Expenses

Total Expenses	Year 1	Year 2	Year 3	Year 4
Administrative cost	412,000	424,000	678,000	690,000
Maintenance cost	65,000	75,000	90,000	100,000
Utility cost	272,000	295,000	315,000	335,000
Total	749,000	749,000	1,083,000	1,125,000

### Total summary

Total summary	Year 1	Year 2	Year 3	Year 4
Total income	2,798,000	2,898,000	3,600,000	3,750,000
Total expenses	749,000	794,000	1,083,000	1,125,000
Total balance	2,049,000	2,104,000	2,517,000	2,625,000



## **PART IX**

### **9.0 CONCLUSION AND OTHER CONSIDERATIONS**

#### **9.1 ECONOMICS JUSTIFICATION**

From our study and analysis of findings made the project offers good benefits to the economy and promoter and economy. Job opportunity was created through it and wealth created also.

#### **9.2 COMMERCIAL VIABILITY**

The commercial viability of the project is very clear. The project has been found to be commercially viable having shown through projections an impressive sales, profits and cash flow positions.

#### **9.3 CONCLUSION**

Therefore, the project is highly recommended both funding and implementation.