

UNIVERSITY OF NIGERIA NSUKKA

FACULTY OF THE SOCIAL SCIENCES

DEPARTMENT OF RELIGION AND CULTURAL STUDIES

TOPIC:

HEROS PRIVATE SECONDARY SCHOOL

A TERM PAPER

SUBMITTED IN PARTIAL FULFILMENT OF THE REQUIREMENT OF THE

COURSE CODE: (CEDR342)

BUSINESS GROWTH

BY

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LECTURERS:

DR. MRS.

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Executive Summary

1.1 The following report and recommendation relate to the proposal by Heroes Secondary School to establish a School at Ajaokuta Kogi State

1.2 The project would require a startup capital of N3.5M made up of N1.5M for fixed asset and 2M for working capital.

1.3 The enterprises vision is to be the most outstanding secondary school in Nigeria, particularly in Kogi state

1.4 The project will be located at Kogi because of its easy access to target market from that location

1.5 A huge market is available for the business to serve

1.6 The financial projection shows that the project would be financially stable and liquid by the time it matures. The sales figure stands at 1.820.000 for yr 1, Yr 2, Yr 3 respectively also the profit after tax are: (N94300), and N3150,00, and 2950,000 for year 1, year 2, year 3 respectively. The cash flow position is equally good and encouraging by the second year through the third year

1.7 The competitive edge of the enterprise lies in its ability to give out sound and professional education to students

1.8 The profitability measures as shown below:

	year 1	year 2	year 3
Turnover	N1980,000	2.386,000	3.560,00
Profit before int and tax	N856,000	N300,00	2830000
Profit after tax	N94300	N3150,00	2950,000
Return on sales	N/A	49%	120
Return of equity	N/A	120%	42%
Return on investment	N/A	87%	115%

Part II

2.0 Introduction

Heros private secondary School is a private school that will be located in a well populated residential estate in Ajaokuta, kogi State. We are a standard private

secondary educational institution that will be predominantly funded through tuition fees and levies from students and of course from other private sources.

Heros secondary School is a people orientated and result driven school that intends to provides quality learning approaches and experience at an affordable fee.

2.1 Vision

Our vision is to build a highly competitive private school that will become the number one choice for both parents and students in the area. Our vision reflects our values: integrity, service, excellence and teamwork.

2.2 Mission

Our mission is to provide professional and conducive learning environment to students at different level of learning. Our overall business goal is to to become the leading private school brand in the educational cum private school industry in the whole ajaokuta vicinity, and also to be amongst the top 30 private schools in Nigeria within the first 10 years of operations.

2.3 key success factor

We are quite aware that to be highly competitive in the education cum private schools industry means that you should be able to deliver consistent quality service, your students should be able to experience remarkable difference and improvement and you should be able to meet the expectations of both students and parents alike.

2.4 Inherent risks.

we would need to spend heavily in ensuring that our school is up to standard, our advertisements, and on insurance policy cover.

2.5 business ownership

Heros private secondary School is a family business that will be owned and managed by Dr (Mr) mart. Heros and his immediate family. They are the sole financial of the private school which is why they decided to restrict the sourcing of the start – up capital for the private school to just three major sources.

2.6 locational factor

2.7 available markets

Part III

3.0 Services

Heros secondary School is going to offer following services

- varieties of educational services
- Providing access to extracurricular activities

The school will be engaging in extra – curricular activities and as a matter of fact, a private school that thrives in sports can leverage on that to attract students who are sports inclined.

- Retailing of Educational Books and Materials

3.1 Services Description

- ❖ varieties of educational services
- ❖ Providing access to extracurricular activities
- ❖ Retailing of Educational Books and Materials

3.2 costing

The costing of the service of a secondary is mainly built around two major factors. They are:

- I. Payment of the staff`s salary
- II. Maintainance of school equipment

3.3 market demand

3.4 projected annual demand for private secondary school in Ajaokuta environment (201-2016).

PART IV

Market, clients and competitors

4.0 market Analysis

Heros private secondary School has an existing business opportunity

Since there is rapid increase in the demand for sound education in the Ajaokuta environ.

4.1 clients/market segmentation

a. normal school attendance

b. afternoon class: this are those who can't meet up with the school's normal program, they resort to the afternoon class

b. there are those who want partake in the tutorial organized by the school

PART V

5.0 market plan

There are no good secondary schools in the class of Hero's private secondary School, this gives us a competing edge over others.

5.1 promotion strategy

Introduce our private school by sending introductory letters alongside our brochure to schools, parents / household and key stake holders. Print out fliers and business cards and strategically drop them in schools, libraries and even student organizations. Creating a website, allows parents to be able to look you up, and also allows you to post general study tips, giving you an added advantage.

Use friends and family to spread word about our private school

Introduce the School to learning specialists, school coaches, school administrators, teachers, guidance counselors especially as they are with students' everyday.

5.2 MARKETING STRATEGY

We are mindful of the fact that there is stiffer competition amongst private schools ; hence we would have to hire some of the best marketing experts to handle our sales and marketing concerns.

Our sales and marketing team will be recruited base on their vast experience in the industry and they will be trained on a regular basis so as to be well equipped to meet their targets and the overall goal of the private school. We will also ensure that our students' excellent results from national exams and other exams speaks for us in the market place; we want to build a standard and first – class private school that will leverage on word of mouth advertisement from satisfied clients (both individuals and corporate organizations).

5.3 market positioning

Our goal is to grow our private school to become one of the top 30 private schools in Nigeria which is why we have to map out strategy that will help us take advantage of the available market.

Post information about the school on bulletin boards in places like schools, libraries, and local coffee shops.

Placing a small or classified advertisement in the newspaper, or local publication about the school.

Joining relevant association or body that will enable you network and meet others in same industry.

Advertising online by using an advertising platform such as Google that will allow us place text advertisements alongside on websites with related contents, and along results from search engines.

Advertise our private school in relevant educational magazines, newspapers, TV stations, and radio station.

Attend relevant educational expos, seminars, and business fairs et al

Engage direct marketing approach.

Encourage word of mouth marketing from loyal and satisfied clients

- a. The trend in the private school line of business is that the key to attracting students is the educational performance and the pass rate of their students in national exams. Any private school that has good records will always thrive.
- b. The demand for private schools is driven by the fact that most public cum government owned schools cannot accommodate every students or potential students in a given geographical location. In some cases, students with special needs cannot cope in public schools hence the need for private schools.

C. The economic downturn won't really affected this industry, especially in countries that believe in the efficacy of education.

PART VI

Technical ,Analysis, management and organization

6.0 MARKET ANALYSIS /Market Trends

Our target market as a private school cuts across people (students) of different class and people from different culture background whether African, White, Caucasian, Latinos, Indians, and Asians. We are coming into the education cum private schools

industry with a business concept that will enable us work with the students at different learning stages residing in our target.

With this, it is obvious that a new entrant in to the private school industry cannot offer this. Reputation indeed is imperative to parents' decisions when shopping for private school for their wards. This is so because the quality of education cannot be assessed until well after it is complete. As a major marketing tool, schools need to show parents a track record of admission to elite colleges and universities.

We are quite aware that to be highly competitive in the education cum private schools industry means that you should be able to deliver consistent quality service, your students should be able to experience remarkable difference and improvement and you should be able to meet the expectations of both students and parents alike.

Lastly, our employees (teaching and non – teaching staff members) will be well taken care of, and their welfare package will be among the best within our category in the industry meaning that they will be more The School might be a new entrant into the education cum private schools industry but the management staffs and owners of the private school are considered gurus. They are people who are core professionals, licensed and highly qualified educationist / teachers at various levels of learning . These are part of what will count as a competitive advantage for us.

than willing to build the business with us and help deliver our set goals and achieve all our business aims and objectives.

6.2.0 Management and organization

6.2.1 Owner/management

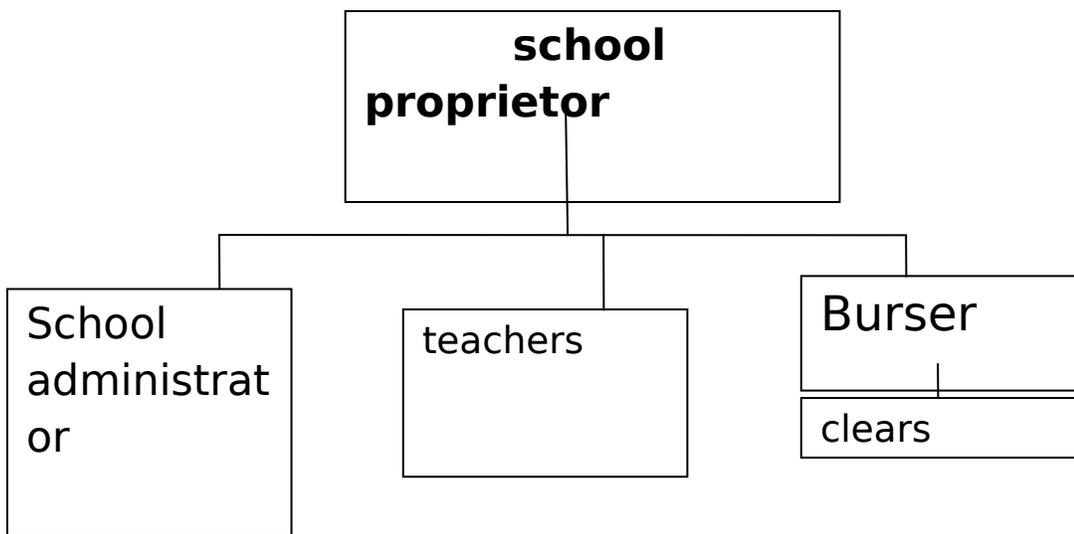
It is a known fact that, the success of any business is to a larger extent dependent on the business structure of the organization and the people who occupy the available roles in the organization. We will build a solid business structure that can support the growth of our private school.

We will ensure that we employ competent hands (teaching and non – teaching staff members) to help us build the private school of our dream. The fact that we want to become one of the leading private school brand in the industry makes it highly necessary for our organization to deliberately build a well – structured business from the onset.

Below is the business structure that will build Heros secondary School

	School Proprietor	
	School Administrator	
	Teachers	
	Accountant / Bursar	
	Cleaners	
	Security Officers	

Organizational structure



PART VII

Legal, environmental, social and regulatory issues

PARTVIII

8.0 Risk analysis.

This project has been subjected to risk analysis and some inherent risks identified and appropriate mitigants preferred to avoid the business being disrupted.

8.1 SWOT Analysis

The School will engage the services of a core professional in the area of business consulting and structuring with bias in the education sector to assist us in building a well – structured private school that can favorably compete in the highly competitive education cum private schools industry in Nigeria.

Part of the task of team of the business consultant will be to work with the management of our organization in conducting a SWOT analysis for the School. Here is a summary from the result of the SWOT analysis that was conducted on behalf of the School;

8.12 Strength:

As a private school, our core strength lies in the power of our team; our workforce. We have a team with excellent qualifications and experience in the educational sector. We are well positioned in a community with the right demography and we know we will attract loads of students from the first day we open our doors and welcome students for enrollment.

8.1.2 Weakness:

As a new private school in the area, it might take some time for our organization to break into the market and gain acceptance via reputation in the already saturated education cum private schools industry; that is perhaps our major weakness.

8.1.3 Opportunities:

The opportunities in the education cum private schools industry is massive considering the number of parents who would want their wards to perform excellently well in their education and go ahead to be admitted in Ivy league colleges. As a standard and international private school, the School is ready to take advantage of any opportunity that comes her way.

8.1.4 Threat:

Every business faces a threat or challenge at any part of the life cycle of the business. These threats can be external or internal. This shows the importance of a business plan, because most threats or challenges are to be anticipated and plans put in place to cushion what effect they might bring to the private school.

Some of the threats that we are likely going to face as a private school operating in Nigeria are unfavorable government policies that might affect private schools, the arrival of a competitor within our location of operations and global economic downturn which usually affects spending / purchasing power. There is hardly anything we can do as regards these threats other than to be optimistic that things will continue to work for our good.

8.2 Exit strategy

No exit is planned, rather diversification will be pursued.

PART IX

School Finance

9.1 summary of project cost

and any difference in prices would be minimal and can be overlooked.

However, this is what it would cost us to start heros secondary School in Nigeri.

Business incorporating fees	N 750.
Insurance, permits and license will cost	N 3.50
Landed property and const. facilities	N 350,000.
Equipping the classes and office	N 50,000
Launching an official Website	N 500
The budget for the payment of salaries for the first three months of operations:	N120,000
Miscellaneous	N 15,000

PART X

5.0 Our Target Market

As a standard and international private school, the School is going to offer varieties of educational services within the scope of the ministry of education. Our intention of starting our private school is to soundly educate people in various subjects and of course to make profits from the education cum private schools industry

Our target market as a private school cuts across people (students) of different class and people from different culture background whether African, White, Caucasian, Latinos, Indians, and Asians. We are coming into the education cum private schools industry with a business concept that will enable us work with the students at different learning stages residing in our target.

With this, it is obvious that a new entrant in to the private school industry cannot offer this. Reputation indeed is imperative to parents' decisions when shopping for private school for their wards. This is so because the quality of education cannot be assessed until well after it is complete. As a major marketing tool, schools need to show parents a track record of admission to elite colleges and universities.

We are quite aware that to be highly competitive in the education cum private schools industry means that you should be able to deliver consistent quality service, your students should be able to experience remarkable difference and improvement and you should be able to meet the expectations of both students and parents alike.

Lastly, our employees (teaching and non – teaching staff members) will be well taken care of, and their welfare package will be among the best within our category in the industry meaning that they will be more The School might be a new entrant into the education cum private schools industry but the management staffs and owners of the private school are considered gurus. They are people who are core professionals, licensed and highly qualified educationist / teachers at various levels of learning . These are part of what will count as a competitive advantage for us.

- Placing a small or classified advertisement in the newspaper, or local publication about the school.
- Joining relevant association or body that will enable you network and meet others in same industry.
- Advertising online by using an advertising platform such as Google that will allow us place text advertisements alongside on websites with related contents, and along results from search engines.
- Advertise our private school in relevant educational magazines, newspapers, TV stations, and radio station.
- Attend relevant educational expos, seminars, and business fairs et al
- Engage direct marketing approach.
- Encourage word of mouth marketing from loyal and satisfied clients.

5.3 market positioning

Part VI

6.0 Sources of Income

The School will generate income by offering the following tutorial services; teaching High school students various subjects in our private school.

- Teaching basic literacy and numeracy
- Establishing foundations in science, mathematics, geography, history and other social sciences
- Constantly working hard to meet regulatory accreditation standards
- Administering private funding efforts.
- Providing access to extracurricular activities.
- Retailing of Educational Books and Materials

One thing is certain, there would always be parents and students who would need the services of private schools to be able to achieve their educational goals and as such the services of private schools will always be needed.

We are well positioned to take on the available market in Ajaokuta steel company residential estate and others, we are quite optimistic that we will meet our set target of generating enough income / profits from the first six month of operations and grow the private school and our student base.

critically examining the private schools cum education market in Nigeria and having analyzed our chances in the industry we have been able to come up with the following sales forecast. The sales projection is based on information gathered on the field and some assumptions that are peculiar to similar startups .

Below is the sales projection for hero's secondary school.

First Fiscal Year-: #250,000

Second Fiscal Year-: #450,000

Third Fiscal Year-: #750,000

N.B: This projection is done based on what is obtainable in the industry and with the assumption that there won't be any major economic meltdown and natural disasters within the period stated above. So, there won't be any major competitor (private school) offering same additional services as we do within same location.

6.1 Our Pricing Strategy

Private schools in all the parts of the world charge students per term / per session and students have the options of either paying their tuitions before resumption or during the school session. Private schools generally charge students based on loads of factors, locations, services offerings and extra – curricular activities et al

we will keep our fees below the average market rate for all of our students by keeping our overhead low and by collecting payment in advance. In addition, we will also offer special discounted rates to all our students at regular intervals.

We are aware that there are some students that would need special assistance, we will offer flat rate for such services that will be tailored to take care of such students' needs.

6.2 Payment Options

our payment policy will be all inclusive because we are quite aware that different people prefer different payment options as it suits them. Here are the payment options that we will make available to our clients;

- Payment by via bank transfer
- Payment via online bank transfer
- Payment via check
- Payment via bank draft
- Payment via mobile money
- Payment with cash

6.3 Publicity and Advertising Strategy

We are aware of the potency of a good publicity strategy hence we have been able to work with our brand and publicity consultants to help us map out publicity and advertising strategies that will help us walk our way into the heart of our target market.

Place adverts on both print (community based newspapers and magazines) and electronic media platforms

- Sponsor relevant community based events / programs
- Leverage on the internet and social media platforms like; Instagram, Facebook , twitter, YouTube, Google + et al to promote our brand
- Install our Bill Boards on strategic locations all around Ajaokuta vicinity.
- Distribute our fliers and handbills in target areas in and around Ajaokuta
- Passing general information via our school’s social media handles like twitter, Facebook, Google hangouts etc.

or high depending on the goals, vision and aspirations for the business. Ensure that all our teaching and non – teaching staff members wear our branded shirts and all our vehicles are well branded with our schools’ logo et al.

In setting up a private school business, the amount or cost will depend on the approach and scale one wants to undertake. If one intend to go big by acquiring a large facility, then you would need a higher amount of capital as you would need to ensure that your employees are taken care of, and that your private school’s environment is conducive enough for the students to learn.

This means that the start-up can either be low

The materials and equipment that will be used are nearly the same cost everywhere, and any difference in prices would be minimal and can be overlooked.

However, this is what it would cost us to start hero’s secondary School in Nigeria.

Business incorporating fees	N 750.000
Insurance, permits and license will cost	N 350.000
Landed property and const. facilities	N 95600,000.
Equipping the classes and office	N1550,000
Launching an official Website	N 150.000
The budget for the payment of salaries for the first three months of operations:	N1120,000
Miscellaneous	N 150,000

As a matter of fact, profit-sharing arrangement will be made available to all our management staff and it will be based on their performance for a period of three years or more as determined by the board of the organization. We know that if that is put in place, we will be able to successfully hire and retain the best hands we can get in the industry; they will be more committed to help us build the business of our dreams.

Business incorporating fees in Nigeria will cost – 750.

These are the areas we intend generating our start – up capital; Generate part of the start – up capital from personal savings and sale of his stocks.

Generate part of the start – up capital from friends and other extended family members

Generate a larger chunk of the startup capital from the bank (loan facility).

We know that one of the ways of gaining approval and winning customers (students and parents alike) over is to ensure that we offer nothing less than the best, to offer quality education to all our students so much so that they can favorably compete with students all over Nigeria

Hero's School will make sure that the right foundation, structures and processes are put in place to ensure that our staff welfare are well taken of. Our company's corporate culture is designed to drive our business to greater heights and training and re – training of our workforce is at the top burner of our business strategy.

As a matter of fact, profit-sharing arrangement will be made available to all our management staff and it will be based on their performance for a period of three years or more as determined by the board of the organization. We know that if that is put in place, we will be able to successfully hire and retain the best hands we can get in the industry; they will be more committed to help us build the business of our dreams.