

UNIVERSITY OF NIGERIA, NSUKKA
FACULTY OF ARTS
DEPARTMENT OF MASS COMMUNICATION

BUSINESS PLAN ON
CATERING SERVICES

AN ASSIGNMENT SUBMITTED IN PARTIAL FULFILMENT FOR
THE REQUIREMENT OF THE COURSE: CED 342
(BUSINESS DEVELOPMENT)

OKPE NNEDINSO JACINTA
2014 195708

LECTURER: DR. MRS. CHINYERE NWAOGA

JULY, 2017

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CONFIDENTIALITY AGREEMENT

THIS AGREEMENT is made on

[03, 04, 2017]

BETWEEN

the Disclosing Party, (the "Okepe Catering Services "); and

the Receiving Party, (the "Receiving Party"),

collectively referred to as the "Parties".

RECITALS

- A. The Receiving Party understands that the Disclosing Party has disclosed or may disclose information relating to the business, which to the extent previously, presently, or subsequently disclosed to the Receiving Party is hereinafter referred to as "Proprietary Information" of the Disclosing Party.

OPERATIVE PROVISIONS

1. In consideration of the disclosure of Proprietary Information by the Disclosing Party, the Receiving Party hereby agrees: (i) to hold the Proprietary Information in strict confidence and to take all reasonable precautions to protect such Proprietary Information, (ii) not to disclose any such Proprietary Information or any information derived therefrom to any third person, (iii) not to make any use whatsoever at any time of such Proprietary Information except to evaluate internally its relationship with the Disclosing Party, and (iv) not to copy or reverse engineer any such Proprietary Information. The Receiving Party shall procure that its employees, agents and sub-contractors to whom Proprietary Information is disclosed or who have access to Proprietary Information sign a nondisclosure or similar agreement in content substantially similar to this Agreement

2. Without granting any right or license, the Disclosing Party agrees that the foregoing shall not apply with respect to any information after five years following the disclosure thereof or any information that the Receiving Party can document (i) is or becomes (through no improper action or inaction by the Receiving Party or any affiliate, agent, consultant or employee) generally available to the public, or (ii) was in its possession or known by it prior to receipt from the Disclosing Party as evidenced in writing, except to the extent that such information was unlawfully appropriated, or (iii) was rightfully disclosed to it by a third party, or (iv) was independently developed without use of any Proprietary Information of the Disclosing Party. The Receiving Party may make disclosures required by law or court order provided the Receiving Party uses diligent reasonable efforts to limit disclosure and has allowed the Disclosing Party to seek a protective order.
3. Immediately upon the written request by the Disclosing Party at any time, the Receiving Party will return to the Disclosing Party all Proprietary Information and all documents or media containing any such Proprietary Information and any and all copies or extracts thereof, save that where such Proprietary Information is a form incapable of return or has been copied or transcribed into another document, it shall be destroyed or erased, as appropriate.
4. The failure of either party to enforce its rights under this Agreement at any time for any period shall not be construed as a waiver of such rights. If any part, term or provision of this Agreement is held to be illegal or unenforceable neither the validity, nor enforceability of the remainder of this Agreement shall be affected. Neither Party shall assign or transfer all or any part of its rights under this Agreement without the consent of the other Party.

[Disclosing Party]

[Receiving Party]

Name: Okpe Catering Services.

Name: _____

Address: No 55 Achara layout Enugu

Address: _____

Date: 03, 04, 2017

Date: _____

1.0 EXECUTIVE SUMMARY

Okpe Catering is a catering company that serves the Enugu market. Okpe offers creative, colorful, and unusual food options for Enugu as well as the traditional standbys. The service offerings are quite a change relative to the existing Enugu catering market which is quite stagnant. Most people make the incorrect assumption that Enugu food means ordinary, boring food. This assumption prevails throughout the Jewish community so there is not much demand for new offerings. Okpe catering will inject new life into the Enugu catering market, leveraging Chef Okpe Cheflly's culinary skills to develop creative new catering options. Okpe's advanced skills, industry insight, and a great market opportunity will allow Okpe Catering to reach profitability by month 11 and generate N395,000 in revenues for year three

The business will require a start-up capital of N5 816 040 made up of N 2 822 400 for fixed assets and N 2 993 640 for working capital.

The competitive edge of the business over its competitors lies in her ability to produce exceptional catering services which can satisfy the customers.

There will be good advertising media for our product to be made known to the public. We intend to develop and enlarge our business in few years to come. We will conduct research on our product and hold workshop to enlighten our workers and the entire public on the need for disinfectant in one's daily life.

The financial projections and tables show that the business would be financially stable and liquid by the time it matures with good profits after tax.

The funding requirements of the business will be obtained from equity contribution, bank loan, venture capital and help from others.

From the point of view of findings, the proposed project is technically feasible, viable financially, enables job creation and wealth creation. The project also offers good business benefits and is therefore highly recommendable.

Company Description

Okpe Catering, located in Enugu, PA will offer high-end Enugu catering to the Enugu community. Okpe Catering will serve parties of 25-300 people with high-end Enugu foods that are currently only available in Lagos. Okpe Catering will offer a large menu repertoire, from traditional favorites to creative inventions. All of the food and drink items served will be done under strict supervision of the Orthodox Rabbinic authority. Okpe will rent space for the office and kitchen in an industrial area of Enugu. Renting in the industrial area will significantly lower the cost. Since the space will be used for food production it is not relevant for the store front to be aesthetically pleasing, or in a nice neighborhood. Okpe Catering is forecasted to generate N395,000 in revenues for year three.

2.1 Start-up Summary

Okpe Catering will incur the following start-up costs:

- Two commercial stoves with ovens.
- Dishwasher.
- Two sets of cookware.
- Two sets of dishware.
- One van with rolling racks built in (a rolling rack is a wheeled rolling cart system that is insulated for both hot and cold food).
- Assorted serving trays and utensils, knives and cutting boards (two each).
- Desk and chair.
- Computer with printer, CD-RW, Microsoft Office, and QuickBooks Pro.
- Copier and fax machine.

Please note that the following items which are considered assets to be used for more than a year will be labeled long-term assets and will be depreciated using G.A.A.P. approved straight-line depreciation method.

2.1 General Business Overview

Okpe Catering will serve a wide variety of dishes. This is offered for two reasons.

1. The larger repertoire of menu items is a benefit to the customers.
2. A large selection is required because meat and dairy cannot be mixed within the meal, therefore, in essence you have to have two different menus, one with dairy and one with meat.

Some of the menu offerings will be traditional Enugu/Jewish meals such as beef brisket with potatoes and vegetables and a roasted chicken with rice and spinach. More inventive meals will also be offered to appeal to the higher end, more discriminating customers such as chicken pesto dishes or a red pepper coulis sauce, or maybe salmon with curry coulis and plum chutney.

Enugu catering is not cheap. The ingredients cost more, as well as the additional equipment that is needed to eliminate the mixing of dairy and meat products.

2.2 Promoters, Shareholders and Board

- The promoters of the catering services is Okpe Medinson Jaumta, madukwe Eze, Daniel Ozo, Chime Madu, Okpe Medinson Jaumta being the owners of the firm, we will control and be in charge of affairs.
- Management structure and areas of responsibility for the day to management of the business, we will need good hands to help in management. The hired hands will complement in the area of fetching water to be used for production, mixing the chemicals thoroughly, stirring, typing of accounts, fliers, security men, distributing the products (sales agents), cleaning the environment and driving. The table below shows the staff management compliments of the firm.

Positions of the Staff	Number of Staff
Group managing director	1
Typist/cashier	2

Account manager	1
Sales agents	2
Security men	2
Workers	5
Cleaners	2
Driver	1
Total	16

- Shareholders and Board: To finance the required investment outlay or the required start-up capital, the promoters plan to raise the equity capital of ₦2,500,000 while ₦3,316,040 will be gotten from loan and shareholders.

Financial Plan

S/N	Source	Amount (₦)
1.	Equity contribution	2,500,000
2.	Bank loan	2,000,000
3.	Venture capitalist	1,316,040

2.3 ADVISERS

Names	Types	Address	Contact details
Dr.Pious Ije	Financial	No. 4 Alaude Rd Nsukka.	amuzie@yahoo.com
Eze Nwoke	Financial	No. 67 Achara layout Enugu	09086862194
Bar. Amuzie Lawrence	Legal	No. 67 Achara layout Enugu	0805643123

2.4 LEGAL ISSUES

Gentle Care Antiseptic and Liquid Soap plans to commence or start operations as a partnership. We plan to register our company with the appropriate department at the local

government quarters and medical association. Attempts will also be made to register and get all the necessary permit and licenses. We have gotten a lawyer, in the person of Bar. Dike Lawrence, who will advise us and help us legalize our business.

2.5 LOCATION AND FACILITIES

Okpe catering services is located at Achara Layout Enugu

Nsukka. Reasons for the choice of location are:

- Nearness to Ogbete Market and various business ventures
- Availability of land to contain expansion of the business.
- Nearness to the markets where buyers can order in bulk
- Existence of good road networks to other nearby towns, and the University community.
- Ease of market access and nearness to firms, organizations and churches.
- Nearness to students who stay in the hostels and public houses for washing of their plates, pots, pee-buckets, clothes, toilets and for their bath.
- Availability of cheap and reliable labour.

2.6 PRODUCTS AND SERVICES

Okpe Catering will provide Enugu with high quality Enugu catering. The catering service will be for weddings, Birth day party, and other assorted parties.

Okpe catering has so many advantages to the customers.

- We will produce the best quality for customer's use.
- We will distribute the products to the customers.

Costs and Sales

The cost for making Gentle Care Antiseptic and Liquid Soap are built around the following forms:

- i. Cost of raw materials for the production of the antiseptics and liquid soap.
- ii. Cost of equipments used in the production.
- iii. Salaries of our workers.

Costs of Equipment

S/N	Chemicals	Quality Needed	Amount (N)
1.	Catering Trays	7	18,000
2.	Ice Sculpture Molds	5	15,000
3.	Outdoor Heater Supplies	4	20,000
4.	Commercial Cooking Equipment	1	3,000
5.	Catering Baskets	1	2,000
6.	Serving Utensils		1,000
7.	Garment Racks & Hangers	2	450
8.	Table Linens	5	170
9.	Warewashing Racks	1	60,620
10	Total (year)	6000 litres	720,000

Cost of catering services utensils

S/N		Quality Needed	Amount (₦)
1.	• Dinner plates	3	1,400
2.	• Bread plates	4	160,000
3.	• Salad plates	5	2,5000
4.	• Water glasses	7	3,000
5.	• Wine glasses	6	8,000
6.	• Coffee cups with saucer	3	400
7.	• Plates	4	1,200
8.	• Silverware rolls	7	2,000
9.	• Bread basket	4	970
10	Total (month)		79,470
	Total (Year)		953,640

Cost of Fixed Capital Investments

S/N	Fixed Assts	Amount (₦)
1.	10 rooms accommodation	100,000
2.	Dedicated Bore hole	100,000
3.	Delivery Van	500,000
4.	Standby Generator	100,000
5.	Gee Pee Tanks (2)	60,000
6.	Electricity Bill	18,000
7.	Miscellaneous items	500,000
8.	Total	1,378,000

Cost of indoor equipment

S/N	Equipment	Quantity needed	Unit price (N)	Price of quantity needed
1.	Ice Sculpture Molds	2	5,000	10,000
2.	Outdoor Heater Supplies	2	3,000	6,000
3.	Hot Bain Marie	1	1,900	1,900
4.	Catering Baskets	1	4,000	4,000
5.	Serving Utensils	6	2,000	12,000
6.	Gravy Machine	1	45,000	45,000
7.	Cocktail Plates	4	1,000	4,000
8.	Commercial Gas Stove	50	100	5,000
9.	Commercial Pizza Oven	30,500	10	310,000
10.	Bar Chiller	48,500	15	735,000
11.	SS Tandoor	20	100	2,000
12	Indoor Refrigerator	150,000	2	150,000
14	SPOONS	100	50	2500
16	Total	55,247	69,550	1,444,400

Salaries of Staff of Gentle Care Antiseptic and Liquid Soap

S/N	Positions	No. of staff	Amount salary per staff (N)	(N)-Total
1.	Group managing director	1	192,000	192,000
2.	Account manager	1	120,000	120,000
3.	Cashier	1	120,000	120,000
4.	Typist	1	120,000	120,000
5.	Workers	5	96,000	384,000

6.	Sales agents	2	60,000	120,000
7.	Driver	1	72,000	72,000
8.	Security	2	48,000	96,000
9.	Cleaners	2	48,000	96,000
10.	Grand Total	16	876, 000	1,320,00

Therefore, the start-up capital required is calculated below;

S/N	Names	Total cost (N)
1.	Cost outdoor equipment	720,000
2.	Cost of indoor equipment	953,640
3.	Cost of fixed assets	1,378,000
4.	Cost of heavy equipments	1,444,400
5.	Salary of works	1,320,000
6.	Grand total	5,816,040

2.7 LONG TERM AIM OF THE BUSINESS

To create a service-based company whose primary goal is to exceed customer's expectations.

To increase the number of client's served by 20% per year through superior service.

To develop a sustainable start-up business.

To develop enough cash flow to pay all salaries as well as grow the business

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2.8 SWOT ANALYSIS

SWOT analysis carried out on the project reveals the following.

STRENGTHS	WEAKNESSES
- The location of the business entails easy access to the target customers.	- Initial problems of adequate capital t
Food source use is of highest quality	- Limited experience and expertise of proprietor in balancing the accounts and finance in business hereby employing a cashier/typist.

- The company/business have very good plans to allow and accept expansion.	- The business plan to address the weakness through hiring of the appropriate skilled hands and retaining the service of experts in some areas where the partners are lacking.
OPPORTUNITIES	THREATS
- The company will make use of every available opportunity which will make her have an advantage over her competitors. - The possibility and probability of the business growing out the future to render goods and services abroad.	- There is still the challenges to attract people to her product. - Increased competition. - Low initial demand.
- This business hope to exploit these opportunities.	- To checkmate these threats, the company will embark on serious awareness, promotion and campaigns that will project our products into limelight.

3.0 MARKET ANALYSIS

The Enugu catering market is an interesting one. There are several caterers that offer services that are quite similar to each other in terms of price and menu options. For whatever reasons, there has been little demand by consumers to get caterers to innovate their menu. This is not to say that consumers would not welcome new Enugu menu items, it is just that people have incorrectly made the assumption that Enugu meals have to be boring. Okpe will occupy a niche in the Enugu catering market that offers new, creative menu items, broadening people's conception of Enugu food. This market consists of two target segments that are differentiated by household income.

3.1 TARGET MARKET

The target market segment strategy will not be significantly different to address the two different groups. Both groups, regardless of income typically belong to the same group of religious congregations. Therefore, to reach the different groups does not require a distinctly different strategy. What differentiation it will require is different menu offerings needed to satisfy the different groups. The upper-end menu items are cost prohibitive for the middle class target segment.

3.2 TARGET COMPANY REVENUE

The main company revenue is sales from the products.

S/N	Product	Annual contracts	Price per bottle(₦)	Total Amount (₦)
1	Indoor services	24	300.000.00	6,000,000
2	Outdoor services	24	3000.00.00	6,000,000
	Grand Total			12,000,000

We will pay out debts,/loans from the sales revenue.

3.3 MARKET TRENDS

Recent Changes:. Catering service one good business in Nigeria that is highly lucrative. As a caterer you should be prestigious, you should have all the facilities and expertise for providing quality services. You should be able to provide both indoor and out door catering services to your clients for birthday parties, corporate get together, seminars and many others. Starting a catering business means you are your own boss.

Future Prediction: Venturing into catering business is one way to solve unemployment problem in Nigeria . in the future catering will become of the leading service industry in Nigeria

PROJECTED DEMAND FOR OUTDDOOR SERVICES

S/N	Years	Annual rate growth
0	Based year (0) 2017	0.5%
1.	2018	0.5%
2.	2019	0.5%
3.	2020	0.5%
4.	2021	0.5%
	Total	25%
	Average	0.5%

Projected Demand for Indoor services

S/N	Years	Annual rate growth
0	Based year (0) 2017	0.5%
1.	2018	0.5%
2.	2019	0.5%
3.	2020	0.5%
4.	2021	0.5%
	Total	25
	Average	0.5%

3.4 PROFILE OF COMPETITORS

The major competitor is Discovery kitchen Enugu
 Discovery Kitchen Enugu, serves quality food but highly expensive ,they offer a wide range of services from indoor catering to out-door catering services and boast of the **best catering and restaurant facilities in Enugu State**, Nigeria

3.5 COMPETITIVE ADVANTAGES

S/N	Discovery Kitchen Enugu,	Okpe catering services
1	Deals on hall rental services	Deals only of catering services
2	Serves quality food but highly expensive	Serves quality foods at low rate
4.	The owner is not educated	The owners are educated
5	Sole proprietor	Partnership

3.6 BENEFITS TO CLIENTS/CUSTOMERS

We are known for our **high-quality** innovative cuisine, legendary **customer** care services

Our services being delivered to almost all the customers. The customers will derive gains when the interact with us. There is some % discount for our services

4.0 MARKETING/SALES STRATEGY

4.1 Marketing Strategies

Okpe Catering will gradually gain market share in the kosher catering market by leveraging its competitive edges. These edges are superior attention to detail and innovative nouveau cuisine kosher meals. The edges that Okpe will leverage are areas that have been ignored in this market for some time now. These competitive edges coupled with a targeted advertising campaign and networking will be Okpe's game plan for increasing their market share.

5.1 Marketing Strategy

Our marketing strategy will be based on developing visibility among Enugu resident. This will be accomplished through two ways. The first method is a targeted advertising campaign. Advertisements will be placed in various news papers, radio stations and internet.

Additionally, we will advertise in a few church-specific newsletters. These advertisements should yield a decent amount of service inquiries since they are fairly targeted toward the target population that utilizes catering services.

4.2 Revenue Sources

The revenue sources of the company is mainly sales revenues i.e. revenue from sales of products. The second source of revenue is individual donations.

4.3 Sales Strategy

Okpe's sales strategy will use a combination of superior customer attention and a comprehensive repertoire of dishes for the menu to turn information seekers into customers. Okpe recognizes when a prospective customer calls to get information about Okpe, it is Okpe's main opportunity to turn them into a customer. She will do this by spending as much time on the phone as necessary.

Another benefit that Okpe will leverage to develop sales is her comprehensive menu. In addition to all of the traditional Enugu dishes, Okpe will offer many innovative nouvelle cuisine Enugu items that she has developed over her years spent in the culinary industry. An innovative available menu should be seen as a large benefit. There is no intuitive or logical reason that people who adhere to Enugu are any less adventurous when it comes to food other than the fact that they have been raised that way.

4.4 PRICING

Determining Price for services

S/N	Items	Amount(₦)
1	Fixed Assets	1,378,000
2	Equipments	1,444,400
3	Food items	720,000
4	Salaries	1,320,000
	Total	4,862,400

∴ Total amount ÷ number of services

$$₦ 4,862,400 \div 30,000 = ₦162,08$$

Determining Price for outdoor services

S/N	Items	Amount(₦)
1	Fixed Assets	1,378,000
2	Equipments	1,444,400
3	Solid food items	953,640
4	Salaries	1,320,000
	Total	5, 096,040

4.5 Marketing and Communication Strategy

Market Segmentation

Okpe Catering has two distinct target populations:

1. Middle class Enugu clients. This group of people does not have huge amounts of disposable income, recognizes that it is costly to sponsor a Enugu dinner party, and is willing to incur the expenses, but will try to minimize them.
2. Upper class Enugu clients. This group has intertwined Enugu values throughout their lives and is willing to spend whatever it takes to throw a high-end Enugu dinner function. Typically, this group is characterized by a wealthy one-income family where the male works and the female does not. The female of the household typically thoroughly enjoys the planning of these events.

The awareness programme will involve, advertising the product; the product is advertise using the radio station available i.e. DREAM FM radio station, also posters and bill are printed.

However, the most important exercise introduced in the promotion is canvassing. This way every shops around and within the area, the personnels, will be sent to have a one-on-one chat with the market and the consumer. Discount is going to be given to the customers who purchases in dozen and carton to facilitate their sales.

5.0 RESEARCH AND DEVELOPMENT

5.1 Technological Roadmap

Based on the feed back, from consumers, a team of researcher are created. This team will research on the existing product and other relation product in the market through knowing what the competitors offers and how to improve the product to influence the market in future. The strength of the product is analysed, market opportunity is also analysed. The initiation of training programme, that will enable the personnel to acquire the skills needed for the development of the product.

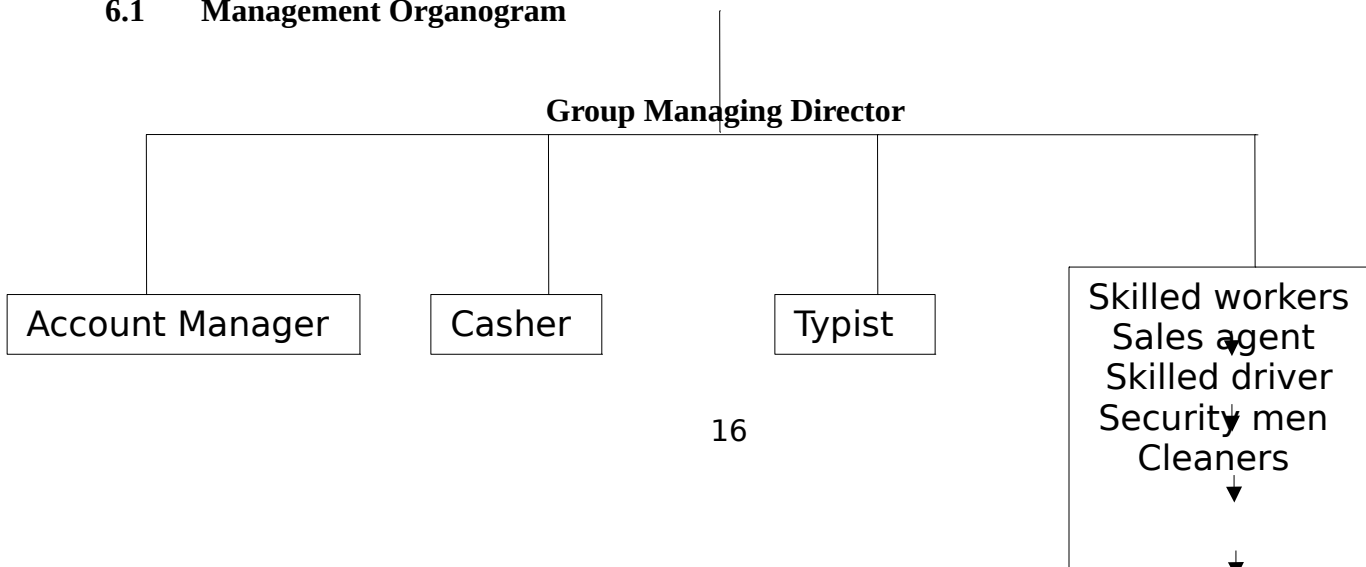
5.2 TECHNICAL PARTNERS

Below are all the partners and the nature of their involvement.

S/N	Partners	Nature of involvement
1.	Abel,Eze,Joseph, okezie\	Promoters
2.	Bar. Uguke	Legal Adviser
3.	Engr. Agam Ekele	Financial Adviser
4.	Dr. Nwafor Nwite	Financial Adviser

6.0 STAFFING AND OPERATIONS

6.1 Management Organogram



This is the management organ gram for our organization: Okpe Catering services

6.2 STAFFING

The employees we will engage in work in our organization are (11) eleven in number, altogether with the starters of the business are (16) sixteen in number i.e. (11) eleven employed and (5) five who are the promoters of the business.

Positions of the Staff	Number of Staff	Skills
Group managing director	1	Skilled
Accounts manager	1	Skilled
Cashier	1	Skilled
Typist	1	Skilled
Workers	5	Skilled
Sales agents	2	Semi-skilled
Driver	1	Skilled
Security men	2	Non-skilled
Cleaners	2	Non-skilled
Total	16	

The group managing directors, typist, cashier, accounts manager, and the workers are the skilled workers because they must have attained a good level of education and have passed a very good training in soap and antiseptic making.

The driver and the sales agents are the skilled and semi-skilled workers because the driver must have a good experience in driving which should be stated in his (C.V) Curriculum Vitae, while the sales agents must have a good convincing advertising spirit, they must at least be able to speak to a very good extent of English language which can convince the University of Nigeria students patronize our product.

6.3 STAFFING NEEDS

In the business, the population of the workers are (20) twenty in number and each worker have their specific roles in the business.

The Roles of the Workers

- Group managing director: He is in charge of the affairs of the company
- Account manager: He is in charge of all the calculations of the company.
- Cashier: He handles all the cash transaction of an organization.
- Typist: This worker types and revises material such as correspondence, reports and may verify totals on report reforms using a typewriter or computer and word processing software.
- Workers: This worker assembles raw materials for preparing, mixing, measuring and processing crude resources.
- Sales agent: This worker carries the finished product of the antiseptic and liquid soap all around the campus for sales.
- Driver: He drives the company vehicle in other to deliver the goods to retailers and buyers.

- Security men: These workers help to guard the entrance of the company to prevent the undesirables and unwanted guest to come in.
- Cleaners: These workers keeps the surrounding of the company neat and clean.

The workers are also compensated for their hardwork at the end of the month.

S/N	Position	No. of Staff	Monthly Salary per Staff (N)	Annual Salary per staff (N)	Total
1.	Managing Director	1	16,000	192,000	192,000
2.	Account Manager	1	10,000	120,000	120,000
3.	Cashier	1	10,000	120,000	120,000
4.	Typist	1	10,000	120,000	120,000
5.	Workers	5	8,000	96,000	384,000
6.	Driver	1	6,000	72,000	72,000
7.	Sales Agents	2	5,000	60,000	120,000
8.	Security men	2	4,000	48,000	96,000
9.	Cleaners	2	4,000	48,000	96,000
10.	Total	16	73,000	876,000	1,320,000

6.4 Training Plans

To improve our catering services, workers would be sent on an educational training which would be on applied skill training. Workers would go for this training once in six months to gain more insight on how to produce more quality of services

Career in catering requires knowledge of how to prepare and serve large quantities of food for special events. Caterers must also know how to market and run a business. Like many food

service positions, caterers can learn these skills on the job, but postsecondary training may be helpful.

Requirements of a Catering Career

A caterer provides remote foodservice for clients who are hosting events, such as conferences, weddings and banquets. Caterers meet with clients to establish menus and pricing for an event, then they are responsible for cooking and serving food at the event. To succeed in this profession, you must know how to provide food that is delicious, visually appealing and safe for customers to eat. A catering career also requires professionals to perform a variety of other tasks, including:

Creating menus

Drawing up contracts

Following food handling regulations

Marketing a catering business

Overseeing staff

6.5 Operations

S/N	Physical requirements of the business	
1	Premises	An accommodation of five rooms, with wide environment and giant fence round it.
2	Equipments	Hot Bain Marie Catering Baskets

		Serving Utensils Gravy Machine Cocktail Plates Commercial Gas Stove Commercial Pizza Oven Bar Chiller SS Tandoor Indoor Refrigerator SPOONS
3	Production facilities	Indoor and outdoor giant ,refrigerator, Giant cooking machines, decoration materials and cooking utensils.
4	Infrastructure	We will have a dedicated pipe borne water;
5	Communication facilities	There will be a telephone, cell phone and email address for easy communication within and outside the company.
6	Cost involved	The total money needed to start-up and run the business for one year is ₦5,816,040, broken down into; foods for outdoor = ₦953,640; foods for indoors = ₦720,000; fixed assets = ₦1,378,000; equipments = ₦1,444,400; and salaries = ₦1,320,000

7.0 FINANCIAL PROJECTIONS

7.1 KEY ASSUMPTIONS

Table: Expenses on Utility projected

S/N	Utilities	Year 1 (₦)	Year 2 (₦)	Year 3 (₦)	Year 4 (₦)	Year 5 (₦)
1	Water	25,000	30,000	35,000	40,000	45,000
2	Electricity	18,000	20,000	22,000	24,000	26,000
	Total	43,000	50,000	57,000	64,000	71,000

Other Expenses

Expected expenses likely to be incurred in the course of running the project and supply goods to customers are shown in the table below.

S/N	Types of Expenses	Year 1 (₦)	Year 2 (₦)	Year 3 (₦)	Year 4 (₦)	Year 5 (₦)
1	Vehicle maintenance	50,000	60,000	70,000	80,000	90,000
2	Advertising, printing of fliers, etc.	60,000	65,000	70,000	75,000	80,000
3	Fueling of generator	200,000	205,000	210,000	215,000	220,000
4	Fueling of vehicle	60,000	62,000	64,000	66,000	68,000
5	Miscellaneous	130,000	140,000	150,000	160,000	170,000
	Total	500,000	532,000	654,000	596,000	628,000

Table: Financing Plan

S/N	Source	Amount (₦)
1	Equity Contribution	2,500,000
2	Bank loan	2,000,000
3.	Venture capital	1,316,040
	Total	5,816,040

Table: Interest and Payment Schedule

S/N	Loan (₦)	Repayments(₦)	Interests (₦)	Loan balance(₦)
1	2,000,000	1000,000	120,000	1,000,000
	1,316,040	500,000	60,000	816,040
2	1,000,000	1,000,000	3240,000	Nil
	816,040	816,040	100,000	Nil

7.2 PROFIT AND LOSS ACCOUNTS

Particulars	Year 1 (₦)	Year 2 (₦)	Year 3 (₦)
Expected Sales	12, 060,000	12,300,000	12,600,000
	120,000	123,000	126,000
Less 1% Discount			
Net Sales	11,880,000	12,177,000	12,474,000
Cost of equipments	3,118,040	1,763,640	1,853,640
Utilities	43,000	50,000	57,000
Other expenses	500,000	532,000	57,000
Salaries	1,320,000	1320,000	1,320,192
Total Expenses	4,981,040	3,665,640	3,794,832
Profit before tax and	(9,883,960)	(12,300,000)	(12,600,000)
Less interest	180,000	340,000	Nil
Profit before tax	(11,880,000)	(12,300,000)	(12,600,000)
Less 10% tax	Nil	Nil	Nil
Profit after tax	(11,880,000)	(11,960,000)	12,600,000
Net profit	(10,063,960)	(11,960,000)	(12,600,000)

7.3 BALANCE SHEET PROJECTION

	Year 1 (₦)	Year 2 (₦)	Year 3 (₦)
Fixed Assets			
	2,993,640	2,993,640	2,993,640
Equity equipment and others			
Net Fixed Assets	2,993,640	2,993,640	2,993,640
Current Assets			
Production facilities	1,763,640	1,763,640	1,853,640
Operating balance before	-	-	-

debtors	4,212,720	6,150,360	7,606,360
Cash in and/Bank			
Total of Current Assets	5,886,360	7,914,000	9,460,000
Long Term Liabilities:			
Capital (Equity)	2,500,000	2,500,000	2,500,000
Bank loan	2,000,000	1,000,000	Nil
Venture capital	1,316,040	816,040	Nil
Total of Long Term Liabilities	5,816,040	4,316,040	2,500,000
Current Liabilities			
Loan Repayment	1,680,000	2,156,040	Nil
Total of current liabilities	1,680,000	2,156,040	Nil
Total Liabilities	7,496,040	6,472,080	2,500,000

7.4 CASH FLOW PROJECTION

Cash in	Year 1 (₦)	Year 2 (₦)	Year 3 (₦)
Equity	2,500,000	2,500,000	2,500,000
	2,000,000	1,000,000	-
Bank loan	1,316,040	816,040	-
		(10,063,960)	
Venture capital			
Net profits			
Total cash in	5,816,040		2,500,000
Cash Out			
Equipments and others	2,993,640	-	-
Working capital	2,993,640	3,993,640	4,993,640
	1,680,000		-

Loan repayment		2,156,040	
Total Cash OUT	7,667,280	6,149,640	4,993,640
Closing Balances	4,212,720	6,150,360	7,606,360

8.0 SALES PIPELINE

Gentle Care Antiseptic and Liquid Soap's major business customers are stated below.

S/N	Name of Customers	Size of Deal per annum	Probability % of getting sales
1.	Students in UNEC		40%
2.	Students in ESUT		20%
3.	Lecturers		15%
4.	OGBAETE MARKET		15%
5.	Churches, primary and secondary schools		10%

9.0 FUNDING REQUIREMENTS

9.1 Sources of Funds

The sources of fund are shown in the table below.

S/N	Source of Fund	Amount (N)
1	Owner's fund	₦2,500,000
2	Bank loan	₦2,000,000
3	Venture capital	₦1,316,040
	Total	₦5,816,040

9.2 Purpose of the Fund

The fund is required for the following;

- ✓ Equipments
- ✓ Staffing
- ✓ Foods for outdoor services
- ✓ Foods for indoor services
- ✓ Fixed assets.

9.3 Risk Analysis and Mitigants

To avoid business disruption, solutions and care is taken to avoid inherent risks. Every project has to be subjected to risk analysis just like this project. Appropriate mitigants are always readily available as shown in the table below.

S/N	Identified Risks	Mitigants
1	Possibility of chemical pouring on workers	The service of first and the medical experts.
2	Irregular water supply	A big water reservoir will be constructed to harvest all the rain during the rainy seasons and will be used during dry season.
3	Accidental fire outbreak	Availability of fire extinguisher
4	Health hazard such as food pioson	Available waste disposals
5	Theft	Provision of optimum security.
6	Breakage	Careful handling
7	Bad debts	Services are base on cash

9.4 Contingency Plan

The contingency plan of our business will be that about ₦500,000 will be kept incase there is any uncertainty. The money will be used when unforeseen circumstances occurs.

9.5 Exit Strategy

Merger & Acquisition (M&A).will be our exit strategy. This normally means merging with a similar company, or being bought by a larger company. This is a win-win situation when bordering companies have complementary skills, and can save resources by combining. For bigger companies, it's a more efficient and quicker way to grow their revenue than creating new products organically

10.0 Other Consideration, Conclusion and Recommendation

10.1 Economics Justification

/ The benefit of the business to the industry and the society is that it could led to a competitive market where by all producers could compete with each other to create quality services. All commodities contain goods and service characteristics. Goods characteristics derive their value from precise specifications, adaptability and reliability; service characteristics derive their value from precise correspondence with consumer requirements. Given likely cost functions, the efficient catering firm will aim for a small range of standardised products that have a high potential for low-cost individualisation to customer requirements. Corresponding to this,

the firm will look for certain features in its production processes according to the degree of standardisation and differentiation required.

10.2 Commercial Viability

That of this project is very clear. The project is finally found to be viable commercially through projections, profits, and cash flow position.

10.3 Conclusion and Recommendation

Okpe catering services strive to be the best in Enugu metropolis . Our foods are made using high quality fresh ingredients. Their well trained staff are happy to sit with you and help you achieve your exclusive catering desires. Your budget and of course the overall appearance our servicesput into consideration. Indeed, your personal preferences and desires are taken into account when creating the catering service to complement your special occasion.

Therefore, I recommend that you should please sponsor the business financially so as to actualize the purpose, visions and missions of the industry at large.

11.0 APPENDIX

Since our business hasn't started, there will be few items on our appendix.

- Photocopy of the business organization will be attached here.
- Photocopy of curriculum vitae of the products will be attached here.
- Photocopy of driver's licenses
- Full list of our business advisers
- Photocopy of all supporting documents will be attached here.
- Photocopy of the financial projections will be attached here.