

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

TOPIC:

LESSON CENTRE FOR JAMB STUDENTS

A BUSINESS PLAN
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(BUSINESS)

BY
ADIGUN TEMITOPE
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LECTURER: DR.C. NWAOGA

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1.0 Executive summary

DATI's lesson Service is an Osun-based company that offers lessons for a wide variety of subjects. The company is currently a sole proprietorship; however the business plans to change its organizational form to an Osun-based LLC within the next year or two.

DATI's lesson service was founded by Adigun Temitope while he was attending University of Nigeria, Nsukka. Although the company has informally existed for the last two years, operations have been informal, picking up students here and there. While it has filled some of Temitope's spare time, he is now ready to concentrate on developing this business into a more efficient source of revenue while retaining the joy of teaching that attracted Temitope to the business.

The first step of this transportation is the writing of a business plan. This plan is being used as an internal document to assist in the development of the business. DATI's lesson service operates with very low overhead, there DATI's lesson service will not be seeking capital for operations.

2.0 INTRODUCTION

DATI's lesson service will be lead by Adigun Temitope. DATI brings a wealth of academic excellence as well as a proven record of tutoring. Temitope first began tutoring at a large communication school. It was this that provided Temitope with the insight that he enjoyed and excelled at tutoring. While Temitope attending University of Nigeria, Nsukka he informally began tutoring students. DATI's lesson service is a home-based tutoring business that offers a wide range of tutoring services. DATI's lesson service will realize good revenue and profits the years of this plan.

2.1 Visions

Our vision is to be the best lesson centre in the environment which we are located and to ensure that the students come out with the best grades in their JAMB exams.

2.2 Mission

DATI's lesson service exists to help students. We take a unique and innovative approach to teaching that helps students connect with the subject matter they need to master. Through personalized and focused teaching processes, our students develop the tools they need for ongoing success in their fields of study. Our success depends on our attention to the needs of our clients and truly helping them achieve – we don't succeed unless our clients succeed.

2.3 Key Success Factor

To success in this business we must:

- . Development methods of approaching subjects that their minds around challenging concepts.
- . Creating excellent word of mouth promotion of services – clients sell services to other students.
- . Truly listening to clients' needs and diagnosing where their understanding of concepts is breaking down.

2.4 Inherent Risks

- a. Provision of basic utilities like hall and electricity is not guaranteed.
- b. Publicity for students through handbills and posters is not also guaranteed.

2.5 Business Ownership

The business is sole-proprietorship owned. The company is owned and operated by Adigun Temitope. As the company continues to grow, it is foreseen that it will be transitioned into a Limited Liability Company (LLC). An LLC structure will soon be favoured to offer liability protected.

2.6 Location Factors

DATI's lesson service is located in Ejigbo, Ogun state:

- It is easily accessible to customers and facilities required for the business; like white boardbusiness cards, pens and pencils, exercise books, textbooks, chairs and desks, computer and software, internet access and email accounts, projectors, transcription software, headset and microphone, web camera and telephone.

2.6 Available Market

Information from survey shows that most students applying for JAMB examination are totally scoring below the average for the requirements of their course of study. Due to that there have been increases in the number of lesson centre for these students, in which DATI's lesson centre is also joining in the race.

3.0 Service

DATI's lesson service company will provide the following services:

- . Individualized service, based on personalized evaluation of each client and his or her specific needs and strengths. This takes into account the recognition that students learn in various ways, some students learn visually, others orally. DATI's lesson centre first evaluates each student and their best way of learning and tailors the tutoring to most effectively serve each student.
- . The option of one-on-one tutoring or review sessions offered to small groups (enough students so they can learn from each other, but not so many that it becomes confusing and distracting in the session).
- . Specialised handouts prepared over several years of tutoring.
- . Experience explaining difficult concepts and knowledge of what works best with certain types of students. Sessions can be focused to better meet the needs of individual students.

3.1 Service Description

DATI's Lesson Centre offers a wide range of academic subjects. Sessions can be set up as private or students may form groups for tutoring. Private sessions offer intense individual assistance, but groups sessions can also be beneficial with decreased economic costs and use of team-based approach that the business program that the business encourages. We offers an extensive collection of past exams which are invaluable for teaching the material and for exam preparation.

3.2 Costing

The service of tutoring of JAMB students requires lots of equipments to enhance easy learning and rapid understanding of the students..

3.3 Market Demand

DATI's lesson service has identified several target market segments that will be pursued. The largest segment is the Williams business students. DATI's has close relationships with most of the professors of business program, allowing Temitope to tailor the tutoring to the specific course material as well as receive referrals from said professors. Within this market segment there will be three subgroups: quantitative clients, non-quantitative clients, and international students. DATI's lesson service will also serve undergraduate students from Williams and the surrounding colleges.

4.0 Marketing Plan

There are several strategies we can adopt to make money for ourselves apart from charging fees. We can sell handouts, JAMB scratch card and key points for your students to study at their own leisure time. Another strategy will be to have both morning and evening classes. Morning classes could start by 9a.m and end by noon. Mondays to Fridays 10a.m till noon on Saturdays, while evening classes could run from 4p.m till 7p.m. As stated earlier we will also need a good location like a shop space in a busy neighbourhood or very close to a university/polytechnic area or where there are many secondary schools. This is the marketing plan to put us close to the students.

4.1 Promotional Strategy

DATI's lesson service is a new business; hence there is need for awareness.

This awareness would be done through posters, sign posts; complimentary cards will also be employed.

4.2 Marketing Strategy

In an attempt to making our company the most patronized when it comes to timbers supply, we will make sure our services come with a lot of offers such as; discount in the lesson fee for students, promo and bonanza for any student that wants to buy scratch cards, and helping our students to get personal learning at the place of their conveniences.

4.3 Market Positioning

The business is going to offer a wide range of services with quality guaranteed. The company will create peculiar leading edge profile for itself.

In our desire to keep in touch with various consumers of our goods, our priority will be to provide high quality lesson service to the students.

5.0 Technical Analysis

The business is just emerging and its schedule of operation is planned in such a way as to contain the challenges being encountered.

5.1 Management and Organization

DATI's Lesson Centre is a sole-proprietorship ownership business. The management of the organization will be carried by the CEO and another one or two lecturers..

Table 3 shows staff and management of Demola Adeleke's timber industry.

S/n	Positions	No of staff	Annual salary per staff ₦	Total ₦
1.	CEO	1	240,000	240,000
2.	Teacher 1	1	180,000	180,000
	Add 5% Unforeseen Expenses			100,000
	Benefits			1,000,000
	Grand Total			1,520,000

5.2 Values and Norms of the Company

DATI's lesson centre intends to adopt the following norms and values.

- a. To always be available to his customers which are students.
- b. We charge with the aim to uphold the firm's integrity always.
- c. To see our employees as our most valuable assets.
- d. To offer the best quality of lesson centre to our customers.
- e. To abide by the provided laws as regards lesson centre creation in Nigeria.

6.0 Legal, Environmental, Social and Regulatory Issues

6.0 Legal Issue

DATI's lesson centre service intends to register the business name with the appropriate agency such as the CAC.

6.1 Environment Issues

The organization will ensure proper waste disposal of any form of waste that the firm will cause in the environment it's located in order to avoid environmental hazards.

6.2 Social Issues

The existence of this industry will bring about the social, cultural and economic benefits to the people of Ejigbo local government in Osun State by creating job opportunities for their youth, whom must have graduated with good grades from secondary school, organizing special workshops and trainings for the recruited workers to enable them know more about tutoring before they gain admission into higher institutions because it is going to help them to be good in public speaking and also, we shall be sponsoring any perceived programme that could foster the culture and values of the community.

6.4 Regulatory Issues

The organization will comply with all stipulated regulations both in local, regional and national.

7.0 Risk Analysis

But it is a good idea always sounds good until it's tested. There are many risks/challenges that we'll face such as suitable location as many students tend to judge a prep centre by its location which is not easy to find. If we are using under a tree or behind someone's house it

makes us look like a quick buck. Also, we have to deal with examination touts and mercenaries as some of them might want to poach our students into patronizing them. It's common these days to have people waiting for already answered questions sent to their phones in the exam halls, which may give our business a bad name if we are not careful.

7.1 SWOT Analysis

7.1.1 Strength

Our strongest points of strength could be attributed to the quality of teachers that we have in our firm and the qualities of the equipment we have in the lesson centre..

7.1.2 Weaknesses

A major weakness that may count against us is the fact that we are a new lesson firm and we don't have the financial capacity to compete with the capital to start the lesson centre and also controlling of the students due to shortage of staff now.

7.1.3 Opportunities

One thing is certain, being a tutor will help us to improve on our daily vocabulary and also boost your public speaking skills. It is a profitable business to run as parents are in the habit of enrolling their kids in extra moral classes to improve the kids' performance. It also helps us to empower people through the distribution of knowledge and employment. It also advertises itself as parents and kids help spread the word about your business through referral or word of mouth.

7.1.4 Threats

One of the major threats that we are likely going to face is economic downturn. It is a fact that economic downturn affects the way parents enroll their kids to lesson centre. Another

threat that may likely confront us is the arrival of a new and bigger lesson centres in the environment our firm is located, who may want to adopt same business model like us.

7.2 PEST Analysis

7.2.1. Political aspect

An industry will not be able to gain success, good reputation and trust if it will not consider legal and political sector as part of their strategy. These political and legal aspects are; tax policy, employment law, political stability, environmental regulations, and trade and traffic restrictions.

7.2.2 Economic aspect

It is important that the firm gives enough attention to economic stability. These economic aspects are; economic growth and stability, interest rates, inflation rates and exchange rates.

7.2.3 Socio-cultural aspect

Society and culture is an important factor that must be given emphasis by any business especially those operating in the global areas. It is important that the firm must operate in compliance with the social systems in order to gain good reputation and effective public image and on the other hand, cultural aspects is equally essential, in order to understand the various needs of different individuals that belong to various cultures.

7.2.4 Technology aspect

The complexities of achieving business success through increased efficiency, effectiveness, and competitiveness, combined with innovative applications of modern technology, has heightened the awareness of both technology and business managers towards more strategically approaches for planning and management of the industry. Hence, it is essential that the industry must be able to give considerations to the technological aspects. This could be in the area of new and efficient machines that can quicken the task of cutting down timbers in the forest.

8.0 Company Financial

8.1 Summary of Project Cost

The total cost of the project is ₦250, 000. This is made up of ₦770, 000 in fixed capital and ₦ 2, 323, 000 in working capital.

8.2 Fixed Capital Investments

DATI's lesson centre service is located in Ejigbo, Osun state.

8.3 Other Expenses

There are other expenses expected to be incurred in the course of running the timber firm.

Below shows other operating expenses

Type of expense	Year 1 (₦)	Year 2 (₦)	Year 3 (₦)
Cleaning Service	10, 000	10, 000	100, 000
Facilities Maintenance	50, 000	50, 000	50, 000
Publicity and advertising	50, 000	50, 000	50, 000
Total	110, 000	110, 000	110, 000

8.5 Working Capital Forecast

The table below shows working capital forecast

Working Capital items	Year 1(₦)	Year 2 (₦)	Year 3 (₦)
Salaries / Wages	420,000	420, 000	420, 000
Electricity Bill	50, 000	55, 000	53, 000
Repairs / Maintenance	50, 000	50, 000	50, 000
Fuel / Gas / Diesel	50, 000	50, 000	50, 000
Rent	100, 000	100, 000	100, 000
Provision of utilities and other expenses	100, 000	100, 000	105, 000

8.6 Total Investment Outlay

This table shows the total Investment outlay required to execute the project.

Total start – up capital required

S/n	Capital Items	Amount (₦)
1.	Machinery, Equipment and others	₦770, 000
2.	Working Capital Requirement	₦ 2, 323, 000
	Total	3, 093, 000

8.9 Depreciation

This annual depreciation is calculated using the straight line method.

8.10 Forecast of Profit and Loss

Particulars	Year 1 (₦)	Year 2 (₦)	Year 3 (₦)
Expected Sales	1900000	6000000	7000000
Less % discount	19000	60000	70000

Net Sales	1880000	5940000	6930000
Expenses	1000000	1500000	1500000
Cost of running the business	770,000	770,000	770,000
Utilities	100,000	100,000	100,000
Salaries & wages	420,000	420,000	420,000
Total Expenses	2, 323, 000	2, 323, 000	2, 323, 000
Profit before tax less interest	500,000	600,000	800,000
Profit after tax less Depreciation	400,000	600,000	900,000
Net Profit	600000	1000000	1000000

9.0 Financial Analysis

9.1 Profitability Analysis

Relevant key profitability for the first three years are shown here under:

	Year 1 (N)	Year 2 (N)	Year 3 (N)
- % Profit after tax	400,000	600,000	900,000
- % Return on Turn over	N/A	30.20	36.10
- % Return on Equity	N/A	98.50	95.50
- % Return on Investment	N/A	68.90	98.20

9.2 Cash Flow Projection

By the second year of operation when the business has matured fully the business will generate enough funds to meet certain obligation as from the second year of operation.

Year 2 (N)	Year 3 (N)
220, 000	349, 000

Conclusion

The business of lesson centre is not for everyone as you need to have a passion for teaching and an eye to hire good teachers. There are many graduates of colleges of Education who are unemployed and many of them would be glad to teach for a small fee. It is our

reputation that will sell our business for our target customers and we need to strive hard to make it work well for us.