

A business plan for
**EXECUTIVE COMPOUND SERVICES (U)
LIMITED**

Love beauty, Love your compound.

ADDRESS: Garden
city mall, second
floor, room B47,

P.O Box 1450,
KAMPALA-
UGANDA.

TEL: 0141-300911
+256-787-096044

E-MAIL:
executivecomps20
@gmail.com

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EXECUTIVE SUMMARY

The business will be called **Executive compound services (U) Limited** and will be an independent, start-up venture with a proposed starting date for the venture to be 1st December 2015. This business plan documents the precise strategies and activities that will be taken in order to commence operations of the business. It has selected partnership as its legal form. This structure was chosen because it brings together partners with the same interest to pool resources to start up the venture.

Business address

The company Main office will be located in Kampala city, at Garden city shopping mall second floor, room B42, along Yusuf Lule road, 400 meters from the main road which is Jinja road. The company Post office box that shall be used is 1450, Kampala-Uganda. The telephone lines to be used shall be +256-700884044 and 0141-300911 for communication between the customers and the business.

The market

The business targets the well-off individuals and others who own homes with compounds, hotels, real estate businesses, hospitals, schools and higher institutions that might be in need of this service. These customers shall be contacted to inform them about the services since the well-designed compounds will enhance their status and give them a peace of mind while businesses shall benefit from the service through increased attractiveness by the customers to such businesses like the hotels and real estate businesses.

Services to be offered

The business shall offer a range of services to the customers with the main service being compound designing. However this will go with a number of other services that can also be provided to a customer as a single service and these include, compound leveling, compound lights installation, pathway and walk way installations, irrigation designs and installations, gardening services and compound conservations.

Financial requirements

The financial requirements of the business total to shs.10,000,000 (Ten million shillings) as initial capital to purchase equipment, rent, land, motor vehicle and other operating items that will be required to start up this venture. The partners will raise shs.5,000,000 of the total amount and shs.5,000,000 will be acquired as a loan from Stanbic bank for two years. The business will set a side shs.2,000,000 as cash at bank to act as the operating cash.

The business shall pay 10% as interest per annum for two years on the borrowed amount and this will be paid out of profits. Loan repayment amount shall be paid as expenses and will reduce the gross margin of the business.

The marketing mix to be used by the business to reach our customers will involve use of the 7ps. These include price which will be made through negotiations with the customer, promotion to create awareness of our services, place to be located at Garden city shopping mall near Nakumatt Oasis, physical evidence as the service will be attained through the designed compound. People involved in the service and that is the employees and the customers who pay for the service and lastly the process that will involve a series of activities to reach at the design.

Success prospects

The business aims at bringing the modern and creative compound designs that will bring out the feelings and communication of the silent factor (romantic expression) the customer wishes to express through the designs in his or her compound. This anticipates the level of demand of our services by individual customers which will be a success to our business in the future.

The customer being our major priority and with the core values set by the company shall all be favoring our customers and the image of our company so as to deliver quality services to the customers as well as keeping our employees happy and going forward. This will enhance our success in the future.

CHAPTER ONE: COMPANY OVERVIEW

1.1 Company summary

The company will be called Executive compound services (U) Limited. The business shall be a **service company** dealing in compound services which include, compound designing, levelling, lighting, irrigation, path ways and walk ways constructions. The business is expected to grow following the rate of house ownerships and businesses arising in the country.

Company ownership.

The business being new will be a **partnership** business that will involve five (5) partners who will raise capital that will start the business and subject to profits at the end of the accounting period. These partners have knowledge of the business and are willing to take part in the venture. Business will commence on the 1st December, 2015

Business address

Garden city shopping mall second floor, room B42, along Yusuf Lule road. This location will be preferred because it is near the road and easy to access by the customers to hold meetings and negotiations on the services to be provided. The parking is available for our customers and fair office rent expenses of Shs.800,000 per month. Security is also available to protect our office equipment.

The company Post office box has been processed and will be 1450, Kampala-Uganda. Telephone lines to be used shall be +256-700-884044 and 0141-300911.

Vision.

To deliver quality compound services for the now and next century.

Mission statement

To modify our customer's compound to the latest and modern designs with professional experience in total integrity, innovation, customer care and team work that will enhance excellence and make the compound an eye catcher and a center of attraction.

Company objectives

The company will fulfill the following objectives during the course of its operation;

- i. To provide quality compound services to our customers as they are the major priority.
- ii. To create a new look around the customer's compound that will enhance their status.
- iii. To out compete our competitors by year 2017.
- iv. To provide employment to the innovative people who will create different designs that will suit our customers businesses and homes.
- v. To create a natural beauty around the customer's home and business through designs.

Primary Service

The business primary service will be compound designing. This will involve a set of activities which will attribute to the final service that the customer will pay for except when the customer requests for a specific service which the business can provide in any way

possible. Other services provided will be Compound leveling, Irrigation design and installation, Compound lighting, Walkways and pathway installations, Gardening services and Conservation of the compounds.

Equipment

The company requires different types of equipment to be used while rendering its services to the customers. These include office equipment, gardening equipment, transport equipment, construction equipment and material storage equipment. The equipment shall be purchased except for some items that is the construction equipment which will be expensive to acquire and therefore will be leased from the leaser at a cost. Office equipment required will be furniture, computers, cupboards, file lockers, air conditioners and others.

Reason for going into business

There has been need to up lift the face of compounds in different homes and businesses around Kampala. The available companies do not reach out to the majority people and therefore focus on only big businesses yet many people require such services and are willing to pay for it to have something good and attractive to everyone who looks around their home compounds and businesses. This is the real reason as to why we decided to enter this kind of business to bring such compound services nearer to the people who really have a sense and eye of beauty which enhances their status and love for good and beautiful things.

Developments to date.

The land to be purchased by the business for setting up a nursery bed was paid half off 50% and therefore the other half shall be paid before 31st November 2015. The motor vehicle was purchased and this is available in good conditions to start working when the business is commenced. Negotiations with potential suppliers have taken place and they have agreed to supply our business with the required materials and equipment at an economic value and of good quality to enhance our service delivery to the customers.

CHAPTER TWO: SERVICE PLAN

2.0 Introduction

The services provided by our company will be applied in the compound of any household, business or alongside the road provided it is a compound and can be designed. The primary end use of a designed compound is that it will give the customer a peace of mind and a sense of attraction whenever the customer looks around his or her compound and such a compound can be used for organizing parties. For hotels, it can be used for attracting more customers. The service is intended to make the customer's compound look standard, modern and classy mostly the wealthy customers as it will earn them status in the community as well as a clean environment worth camping in and organizing parties especially hotels which will attract customers for recreation and romantic dinners and gatherings.

Services offered

The business will deal in a series of activities that best suit its description and provide the following services to the customers;

Compound designing. This will involve designing the customer's compound in different ways to express their feelings and attraction to nature as well as give a new look to their compounds. This will involve organizing elements in the compound, planning and decorating flowers, planting trees and grass in an orderly manner to offer a natural look in the customer's compound.

Compound leveling. This will involve excavating and extracting stones and soils in the compound using machines or hand tools to create a level that is suitable for the design of the compound intended to be taken.

Irrigation design and installation. The business will design and install fully automated irrigation systems to cover the planting area to provide water to plants and flowers in the compound. The installation will be efficient and truly economical to the client.

Compound lighting. This will involve designing and installation of low voltage lightings in the compound that will be used during night times and will be of different of colours depending on the customer's form of business and interest in the colours.

Walkways and pathway installations. This will involve construction of concrete paver walk and driveways, layout and excavation of proposed courtyards, individual walkways around the compound and walkway lighting installation.

Gardening services. This will involve planting flowers around the compound for decorative purposes taking into consideration a sequence of bloom and consistent color combinations that will bring out the best looks of the customer's compound.

Conservation of the compounds. This will involve looking after the customer's compound to keep it in it's modest state. The grass will be trimmed periodically and flowers pruned as well as the trees in the compound.

Service uniqueness

The unique feature of the services provided by our business is that after the compound has been designed, we will go ahead to look after it for a period of two months to make sure that the design comes out well and replace the dead plants where possible. The outcome of the services shall be of high quality and worth the money paid for the services rendered by our company.

If the design doesn't reach our expectation because sometimes the flowers dry out and some other plants, during those two months we can change where possible although this will affect our planned cost and reduce on our revenue by a small margin.

The compound will take one month to form into a beautiful design because the flowers and the grass take around three weeks to accumulate into a sizable quantity that can be trimmed to form the design.

Difference of our services and the competitor.

The difference between our services and that of the competitors is that we shall rely mostly on the architectural plan drawn by our architecture and approved by the customer which the customer pays for and done exactly as in the plan. This is because most of our competitors do not follow a well-drawn plan in designing their compounds and don't involve customers in most of their decisions while designing their compounds and when they do consult, they change the plan during the course of the design which the customer did not approve. This will not be the case for Executive compound designers.

2.1 Service payments

The customer will pay a deposit fee of 75% of the agreed amount after the final price has been negotiated and will pay through the bank on the company account and the balance is paid at the end of the month. The last payment will be done at the end of the month since the design takes one month to be formed in the compound. The company shall make continued visits at the customer's compound to inspect the growth of the plants, grass and trees in the compound to make sure that the service was productive and that the customer shall get what was expected of the design.

2.2 Possible drawbacks of the design.

The business expects the design to have some drawbacks especially where the flowers fail to grow due to poor soils and some trees getting eaten by termites and they fail to grow. The grass as well failing to accumulate and become intact to form a green color may also be a major drawback in our services and therefore will require repetition of the work which is costly and time consuming to the business. However the business shall make continuous inspections so as to identify such problems and rectify them as soon as possible before the customer notices them during our service delivery.

CHAPTER THREE: THE MARKETING PLAN

3.0 Introduction

The business will capture a substantial share of the market and out compete its competitors through a well-designed strategy that will enable it to meet its target customers that require its services. The business will appoint a marketing manager who will be responsible for the marketing of the company services to customers and will be helped by an assistant. The business shall apportion some amount of money every year for marketing and service promotion so as to increase the company's sales and capture a big market share in the provision of services.

3.1 Marketing budget.

PARTICULARS	2022	2023	2024
Research	500,000	250,000	500,000
Transport	2,000,000	1,500,000	800,000
Customer care	300,000	500,000	700,000
Promotion	500,000	500,000	500,000
Advertisement	1,000,000	3,500,000	3,800,000
TOTAL	4,300,000	6,250,000	6,300,000

The business has budgeted for the marketing costs and expenses as for each year and it will incur the above costs during the course of operation. However the business shall budget for transport at a higher cost since it will involve meeting different customers in door to door advertisement and the other cost of advertisement shall be spent on television and radio adverts.

3.2 Customers / Market analysis

The available customers are divided into different market segments depending on their interests, needs and priorities of the services provided by the company. These include the following segments.

Geographic segments. The market exists in different areas of Kampala due to the status held in such places for example Munyonyo, Ntinda, Bukoto, Kisasi, Muyenya, Kololo, and many other places in Uganda that are considered to be for rich individuals. These can be targeted for our services since compound designing is highly considered by such individuals to look different from the others and assert their status.

Demographic segments. This market divides the customers into gender and occupation and education level. The **youth** who have earned money and built their own houses would like to design their compounds so as to look romantic and to attract their fellow youth. **High class people** who earn a lot of money depending on their occupations and high education levels would like to show status and value of the money they earn therefore they would like to design their compounds that everyone would make a one stop look at.

Business segments. These are other businesses that would require our services to improve on their services to their customers. This segment includes, **hotels and lodges** as such need an attractive compound to impress and attract customers to come and stay at their hotels as it is an indication that they can have a peace of mind when they visit the hotels. **Academic institutions** like Universities and Secondary schools would like a fresh and clean environment to boost their academic performances for the students. **Hospitals** for rehabilitation and oxygen stimulation around the hospitals. **Bars and restaurants** as such can impress and attract customers with a view of natural beauty. **Kampala Capital City Authority** can inquire our services in its Green campaign around the city to plant trees and flowers around the roads in Kampala. **Real estate businesses** can also inquire for our services to design their compounds before they sell their land and property to the final customer as it adds value to the land and property being sold.

3.3 The marketing mix

The company shall follow the **7ps** in its marketing strategy and these include

Products (Services)

The company will provide high quality compound services to the customer. These services include designing, levelling, irrigation and lightings installations, gardening, walkways and path ways installations. The services provided will best suit the customer's compound depending on the landscape to be designed and the customer's choice of the design that he or she would wish in their compound. The company shall use the latest and modern designs in different styles that will make the end result beautiful to look at.

Price

The services will be priced according to the area of coverage that the customer wants to be designed. The area in a compound can be measured in Square meters since most compounds do not exceed a hectare in size. Different services will be priced accordingly depending on

the activities requested for by the customer. The pricing strategy will be based on the quantity of work to be carried out on the customer's compound and the price the customer will be willing to offer.

Service No.	Description	Amount per Sq.m³ (SHS)
1	Compound designing(plan)	100,000
2	Compound leveling	150,000
3	Irrigation design and installation	80,000
4	Walkways and pathway installations	200,000
5	Compound lighting	40,000
6	Gardening services	60,000
7	Conservation of the compounds	50,000

The basis for the above pricing depends on the quantity of work to be done, the materials to be used in delivering the services and the time spent doing that work per Square meter in a compound. However this price is negotiable depending on the size of the compound to be designed. Some services have been priced since the business will be in position to provide a single service depending on its demand by the customers who would already be having their compounds.

Promotion / Advertising strategy

In order to increase sales and sensitization of the company's services to the customers, the company will use the following strategies;

Door to door. The customers will be reached at their individual homes and will discuss the services provided by our company. Since our geographical segment is basically in Kampala, we shall reach to most potential customers where possible so that we share the ideas and see how we can make business as many of the customers do not know how to design their compounds.

Use of radio and television stations. The business shall use radios in a way of sensitizing the masses about the availability of our services. Radio stations such as Cbs, Capital, Akaboozi and Kfm among others shall be used especially those that target our specific customers. Television stations such Bukedde TV, NTV and UBC televisions shall be used to advertise our company.

Use of the internet. The company shall create a website on the internet and advertise its services. This will be used by the market segment that can use the internet to Google our services from the internet from our website.

Use of the newspapers. The company shall use timely adverts in the newspapers to create awareness to the potential customers about our services. This will increase our revenue through increased customer awareness and inquiry of our services. These include Daily monitor, New vision, and Bukedde newspapers.

Use of sign posts and banners. The company shall use banners to advertise its services to the customers. These shall be put in busy places and on the company business premises.

Place

The company Main office will be located at Garden city shopping mall second floor, room B42, 400 meters from the main road which is Jinja road. This location for the office is because, the area attracts a number of individuals to come shopping therefore they would be forced to come and inquire on our services that had been advertised, enough parking space in the basement is available for our customers whenever they visit as well as fair rent expenses.

The business nursery bed and store will be located in Bulenga in the Kampala suburbs. This site location was chosen because it is near the city and the land is cheap as well as security is available since there is a petro station nearby that is well protected. The access to the nursery bed is easy and will enable us to use our company vehicle to collect the flowers and plants to the customer's compound site.

Physical evidence

Since the company and the customer are inseparable in service delivery, the company shall involve the customer in the design. This will be reached at selection of the design plan drawn and the company shall go by that design to make the customer's wish and complete the task. This will create consumer satisfaction at the time the design is out in the compound which an individual household customer paid for. If the customer is a hotel, restaurant, or lodge, such satisfaction would be got by the number of customers that come in and the number of couples and parties in the gardens and compounds designed by our company.

People

The people involved in the exchange of services include the company which is the employer, the employees including the casual workers and the customer who pays for the final price for the services delivered. The company shall involve casual employees in its service delivery who will do most of the work in the compound through implementation of the compound design selected by our customer through the managers. The customer is also involved in the design selection and price negotiation of the service and is the final beneficiary of the service.

Process

The company shall follow a process through which the final design will be incorporated in the compound of the customer. This process will start with the customer and then a series of activities shall be done to until the final design.

3.4 Competition analysis

The service industry has got a number of companies providing the same services as our company. The company competitors are Passions Services and Tropical compound designers who have established their market base in areas around Kampala. However the company has

analyzed the activities of these potential threats and realized the need to diversify the services provided in this kind of business through the S.W.O.T analysis.

3.4.1 Strength of competitors

Our competitors have been in existence for a number of years and therefore have established a strong market base.

The competitors have dealers and brokers around the city that market their services. This has increased the number of projects that they work on

The competitors have experience in the field of designing that means that they can do an extra service that our company may not be able to do.

3.4.2 Weaknesses of competitors.

Target mega deals and do not focus much in the small ones. They do not go for designing small compounds but rather look at big ones which might not be the case with our company.

Passions services charges a high price due to the use of brokers and dealers and the customer pays a higher price than what he or she is actually supposed to pay for the services.

Tropical compound designers only provides compound designing services and does not provide other services other than designing

3.4.3 Opportunities / Competitive edge

Targeting both big and small deals of compound services from a range of customers. This will be an advantage to our business to take on small projects that can add contribution to our company through increasing revenue.

Reducing the prices of our services less by that of our competitor since we shall not use brokers and dealers but the company will use its employees to look for customers and these will be paid commission. This will the company charge less than that of the competitors.

The company shall provide a number of services to its customers other than compound designing of which some services will be provided for free so as to win our customers trust and confidence in what we are doing.

After sales services will be provided to our customers and these will include, grass trimming in the first month, free compound cleaning for the first one month and a few other services that will win our competitors.

CHAPTER FOUR: MANAGEMENT PLAN

4.0 Introduction

Executive compounds Limited will be managed by a board of directors who have contributed share capital and therefore own shares in the company at the start. The company will be managed in the highest sense of integrity and care and all managers will be accountable to their actions so as to reach the company objectives. The company will provide a conducive working environment to all employees to ensure personal development and creative ideas so as to enhance customer's needs as regards to designs and overall environment. The company shall offer training to employees so as to provide knowledge and skills to the top management and operations management. Employees will be given employment benefits to every successful work done and to the customer's expectations. The Managing Director and Human resource manager shall be selected by the Board of Directors.

The human resource department in the company will have the authority to recruit credible staff who will possess the skills, knowledge and experience regarding designing, architecture, management, surveying and field work related knowledge. This will be a driving force to provide quality compound services to our customers.

Management Team

The company will be managed by a six administrative departments. The company shall be headed by the Board of Directors who will be helped by the following managers;

1. Managing Director
2. The Human Resource Manager
3. Financial Manager
4. Operations/Field Manager
5. Marketing Manager
6. Physical Planning Manager

Under the managers the company shall employ two supervisors in two departments that is, in the financial department and operations department who will be responsible with the out looking of the activities of the people under them since the aim of the business is to provide quality compound services to the customers and to make profits and these departments are generally responsible for those objectives.

4.1 Key Personnel

The following key personnel shall be responsible for the business management and decision implementation.

4.1.1 Managing Director

The Managing Director shall be recruited upon the decision of the members who are part of the board of who should take on this role. However the Managing Director shall possess the following qualities. A master's degree in Business Administration, Bachelor's degree in Accounting and Finance and related academic qualifications from recognized institutions. The Managing Director shall be responsible for approvals and authorizations as well as decision making in the company. This position shall require a focused person, business oriented and creative ideology and understanding as well as adaptive to changing situations.

4.1.2 Financial Manager

The financial manager shall be confident and consistent in the execution of his duties for the company. The manager shall be employed temporarily but will later be made permanent upon full satisfaction that he will be able to pursue his duties to the company's expectations. He will be responsible for making short term decisions regarding expenditures and will control the cash out flow from the business. The prospect of the business is to make profits and therefore will work upon meeting targeted sales and objectives.

4.1.3 The Human Resource Manager. The holder of this position shall have a Master's degree in Human Resource Management from Uganda Christian University or Makerere University with an experience of two years in the same field and not more than 35 years of age. The assistant will have a Bachelor in Human resource management. The person shall be able to motivate employees, pay remunerations, appraise and develop employees in the company. With this knowledge and skills, suitable candidates shall be selected for interviews.

4.2 Recruitment and selection of managers

The process of recruitment shall be done by the human resource manager who will follow proper recruitment procedures so as to recruit capable individuals to work for the company and add value to it. Selection shall be based on the personnel qualifications and experience in the related field of employment so as to select the right individuals through proper manpower planning. Interviews shall be conducted by the human resource manager with members of the board of directors so as to select competent individuals that will help the company achieve its objectives. The human resource manager shall follow the following qualifications when recruiting and selecting staff members for the company.

Financial manager. The holder of this title shall have completed a professional course say ACCA or CPA to qualify for this position. In addition shall have a bachelor's degree in

Accounting and Finance and related fields with knowledge to prepare and interpret financial information and statements with a working experience of at least two years and age 28 years or above. The candidates who possess such will be selected for the interviews.










Operation / Field manager. This manager shall possess a Master’s degree in Architecture with an experience of at least one year and not more than 28 years of age. The field manager shall have knowledge relating to compound designing and leveling to be able to oversee the work done in the field if it matches with the plan. The manager shall have knowledge relating to human resource management as will be dealing directly with the workers in the field.

Marketing manager. This manager shall possess a Degree in Management science or Bachelor of business Administration with a one year experience. This manager shall be a lady not more than 27 years old and shall be able to convince the customers about our services with ease. Preferably two ladies and one gentleman would be required under the manager.

Physical planning manager. This position shall be held by an individual who possesses a bachelor’s degree in architecture and land economics as well as engineering knowledge to be suitable for this position. The manager shall not be more than 26 years old with an experience of one year in the related fields

4.4 Positions and responsibilities of senior staff

The above managers listed in the management team shall have responsibilities required of them to fulfill so as to add value to the company as well as helping the company meet its specified objectives during the course of business.

POSITION	DUTIES AND RESPONSIBILITIES	NO. OF PEOPLE
Managing Director	<ul style="list-style-type: none">  Making the final decision  Planning and implementation of procedures  Implementation of internal controls  Authorize and approve payments  Oversee company’s financial statements  Taking lead of all operations of the company  Final interviewer of recruited employees 	1
Human resource	<ul style="list-style-type: none">  Responsible for man power planning.  Recruiting and selection of new employees 	1

manager.	<ul style="list-style-type: none"> ✚ Motivation of employees in all areas ✚ Ensure a conducive working environment ✚ Responsible for carrying out performance appraisal ✚ Responsible for employee training and development. 	
Financial manager	<ul style="list-style-type: none"> ✚ Providing accountability for the period ✚ Preparing financial statements at the end of the period ✚ Handling petty cash imprest for the period ✚ Interpreting financial information to board members ✚ Provide financial advice to the company. ✚ Carry out auditing in all departments of the company 	1 Manager and 1 supervisor
Operations/ Field Manager	<ul style="list-style-type: none"> ✚ Responsible for all the operations in the field during compound designing and other services. ✚ Overlooking the work of the supervisors through timely reports from the field. ✚ Responsible for all employees in the field. ✚ Review of architectural plans and implementation ✚ Reporting necessary equipment and materials to be used. 	1 manager and 1 supervisor
Marketing Manager.	<ul style="list-style-type: none"> ✚ Responsible for looking for customers. ✚ Negotiating with customers on the prices of services ✚ Advertising the company's services ✚ Responsible for public relations with customers ✚ Report price changes to the Financial Manager. ✚ Preparing weekly reports on the services requested. 	1
Physical planning manager	<ul style="list-style-type: none"> ✚ Surveying the land for the compound ✚ Drawing architectural plans for the compound ✚ Compound leveling and landscaping activities ✚ Preparing reports to the operations manager. 	1

The table below shows the number of casual employees and their duties and responsibilities as regards to compound services.

Position/ activity	No. of employees	Responsibilities
Planting & Trimming	2	<ul style="list-style-type: none"> ➤ Grass and tree planting ➤ Planting flowers in the compound ➤ Grass cutting and trimming
Compound Lighting	1	<ul style="list-style-type: none"> ➤ Installing garden lights ➤ Installing walk and path way lights ➤ Repair faulty connections

Compound Leveling	2	<ul style="list-style-type: none"> ➤ Ground breaking and leveling ➤ Soil arrangement for planting
Compound Irrigation	1	<ul style="list-style-type: none"> ➤ Installation of irrigation system ➤ Repair of faulty systems
Compound Designing	2	<ul style="list-style-type: none"> ➤ Develop compound designs ➤ Organizing sites for flowers ➤ Design walk ways and pathways
Construction	2	<ul style="list-style-type: none"> ➤ Construct path walkways using pavers ➤ Building and painting all that is designed ➤ Responsible for the materials on site

4.5 Personnel Remuneration Plan

The company will remunerate each individual according to the level of seniority in the administration and in operations accordingly. However this will be paid on a monthly basis and commission will be given to the casual workers upon successful completion of the work assigned to them. This will enhance innovativeness and creativity among the casual employees. This has been shown in the table below showing monthly payment of an individual employee.

4.5.1 Remuneration plan for Top managers

POSITION	NO.	BASIC SALARY	ALLO WANC ES	DEDUCTIONS			NET PAY
				NSSF 5%	PAYE	Total Deductions	
Managing Director	1	1,000,000	100,000	50,000	300,000	350,000	750,000
Human resource manager	1	800,000	70,000	40,000	240,000	280,000	590,000
Financial manager	1	800,000	70,000	40,000	240,000	280,000	590,000
Operations Manager	1	650,000	50,000	32,500	195,000	227,500	472,500
Marketing Manager	1	600,000	50,000	30,000	180,000	210,000	440,000
Physical planning manager	1	550,000	30,000	27,500	165,000	192,500	387,500
Supervisor Operations	1	450,000	20,000	22,500	135,000	157,500	312,500

Supervisor Finance	1	450,000	20,000	22,500	135,000	157,500	312,500
Totals			Allowances	265,000	1,590,000		3,835,000
Position/ activity	No.	(UGX)	ces	Deductions		Net Pay	NET PAY
				NSSF 5%	PAYE		
Planting & Trimming	2	300,000	20,000	15,000	60,000	245,000	490,000
Compound Lighting	1	250,000	20,000	12,500	25,000	232,500	232,500
Compound Levelling	2	300,000	20,000	15,000	30,000	275,000	550,000
Compound Irrigation	1	200,000	20,000	10,000	25,000	232,500	232,500
Compound Designing	2	250,000	20,000	12,500	60,000	245,000	490,000
Construction	2	350,000	20,000	17,500	70,000	282,500	565,000
Totals				82,500	220,000		2,560,000

4.5.2 Remuneration plan for the casual employees

The company will employ ten casual employees who will be responsible for the ground work at the customer's compound after negotiations and customer approval. However these casual employees will be remunerated per month accordingly although they will receive an extra allowance when the work to be done is over and above their normal work.

4.6 Sourcing employees.

The company will use the following channels to outsource its potential employees who will provide their efforts, knowledge and skills to the company.

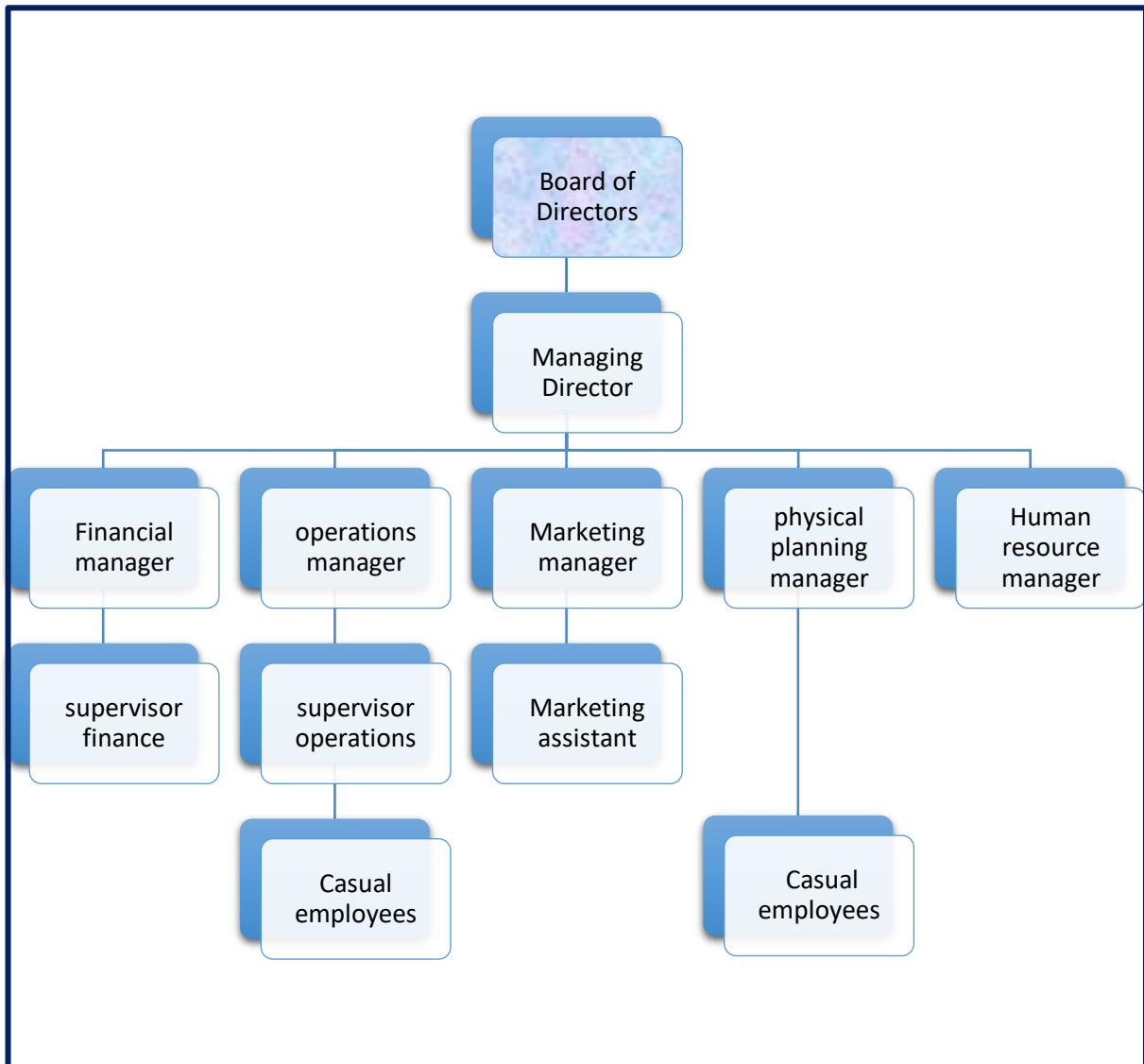
The vacancies shall be advertised in newspapers, radio stations and on the internet through which employees shall apply for the jobs subsequent to the related procedures of recruitment and selection.

Recruiting from universities and higher institutions of learning those that can be innovative and knowledge to come up with beautiful compound designs.

Recruiting from the company competitor since they have the experience and knowledge in the field through providing them with better benefits than the competitor.

4.7 Organizational chart

The chart below is the organization structure of Executive compound services (U) limited.



4.8 Training of employees.

The company shall offer training of employees in the field especially on the latest trends in designs and equip them with the necessary knowledge to apply in the customer's compound so as to reach our customer's expectations. New employees shall undergo training headed by the operations manager on how to handle equipment, installations of compound lights and irrigator pipes, construction of path ways and walk ways and other activities run by the company. However the employees will be encouraged to undergo extra training so as to be suitable for promotions in the administration of the company which will be the basis for it's growth and success.

4.9 Motivation of employees

Since this is a service company based on employees, it requires properly motivated individuals to promote hard work in the employees and this will be a great achievement to the company since service delivery and customer satisfaction will be enhanced.

The company shall use the following motivational tools so as to motivate its employees in different departments.

- Allowances will be given to all workers depending on the level of activities engaged.
- Salary payment shall be done on the 28th day of every month without fail.
- Employees shall be allowed a one week short leave.
- Benefits shall be given to all employees based on the tasks contributed as commission.

4.10 Board of directors.

The board of directors shall be made up of four permanent members and these shall be the owners of the business that shall contribute capital towards its start and will form the senior management. These will be responsible for making decisions that will be implemented in the execution of duties of the managers. The board of directors shall have a right to participate in the running of the business in case one has the necessary requirements for a particular Job. These members shall make decisions on the human resource plans, operational plans, financial plans, and legal issues of the company and day to day running of the business. The managing director shall report direct to the board as well as the financial manager.

The board members shall be;

Ms. Ssentamu bonny . This member has got management experience in a number of businesses and is will be keen on its financial performance over the years.

Mr. Ssenyonjo Henry. This member is a lawyer and an associate who will be in position to defend the company in case of any legal issues that arise.

Miss. Atuhairu Monica. She is a designer and her sense of beauty with designs shall be in position to acknowledge better plans for a greater taste of our management and customers.

Mr. Kalule Silver. This member is proposed due to his love to invest in other businesses and is always willing to support any business that can generate profits.

Mr. Kafuko Ian. He's good at communicating with people so we proposed he can do customer care services.

CHAPTER FIVE: CRITICAL RISKS, PROBLEMS AND ASSUMPTIONS

5.0 Critical risks and problems.

This company is likely to face a number of risks and problems in its operations and these are likely to draw back our service delivery to our customers and give an advantage to our customers in the industry. The major risks and problems include the following

- ❖ Unfavorable industry trends that are likely to fall under political insecurities leading to displacement of people.
- ❖ Sales projections per month failing to be achieved in the due course of the business operation.

- ❖ Repayment of loans that the business is likely to acquire as a funding source that are likely to put pressure on our business as it's a must we have to pay them.
- ❖ Stiff competition from our neighboring competitors Passions Services Ltd who will also increase their marketing force through unfair competition strategies.
- ❖ Receiving many orders to be done in the shortest time possible from a number of customers, constraint to the available equipment.
- ❖ Running out of materials and cash before completion of the services rendered to our company.

5.1 Possible solutions

To the above risks and problems.

- ✓ Securing a vital market share in the first phase of the business startup and create a hedge in the industry.
- ✓ Increasing advertisements and service awareness to customers through use of the media and other advertising agents.
- ✓ Payment of loans in advance whenever the business makes an extra profit to enable the business clear the loan debt as soon as possible.
- ✓ Securing cash from the bank when cash runs out in form of a bank overdraft that would be paid when the project is done and duly paid.
- ✓ Securing enough materials during service delivery so that the materials are available for the particular project and these shall be budgeted for every year.

5.2 Assumptions.

Executive compound services (U) Limited shall work under the following assumptions.

- ✚ Market share shall increase by 20% per year with an assumption to capture a sustainable market share in the first year of operation
- ✚ The bank shall provide the business with a long term loan at 10% interest rate payable in five years' time as a financing source.
- ✚ Service prices shall be fair to all customers in their respective segments as each will benefit from the service differently.
- ✚ Competitive advantage shall be attained as soon as possible in the first year and the following years.
- ✚ The business shall reduce its costs through proper cost management year by year to increase its profits.
- ✚ Management shall be motivated and appraised every year to enhance service delivery to our customers each year of operation.

CHAPTER SIX: OPERATION PLAN

6.0 Introduction

Executive compound services (U) Limited is a service delivery business directed towards making the customers home a paradise to live and business natural environment that will attract more customers to enjoy a moment of peace in places such as hotels, bars, restaurants, lodges, schools and institutions. In order to achieve this, management will put in place an operation plan that will enhance efficiency and effectiveness in the delivery of our services to the customers from our employees. This will be through easy location and quick access to our offices and service delivery especially our customers and ensuring a good working environment of our employees.

6.1 Company Location

The company Main office will be located in Kampala city, in the central division at Garden city shopping mall second floor, room B42. The building is near Nakumatti Oasis and Serena Hotel, 400 meters from the main road which is Jinja road. This location for the office is because of the following reasons:

- The area attracts a number of individuals to come shopping therefore they would be forced to come and inquire on our services that had been advertised.
- Fair office rent expenses that can be paid in advance of six months.
- Parking space in the basement is available for our customers whenever they visit.

The business nursery bed and store will be located in Bulenga in the Kampala suburbs. This site location was chosen because it is near the city and the land is cheap as well as security is available since there is a petro station nearby that is well protected. The access to the nursery bed is easy and will enable us to use our company vehicle to collect the flowers and plants to the customer's compound site.

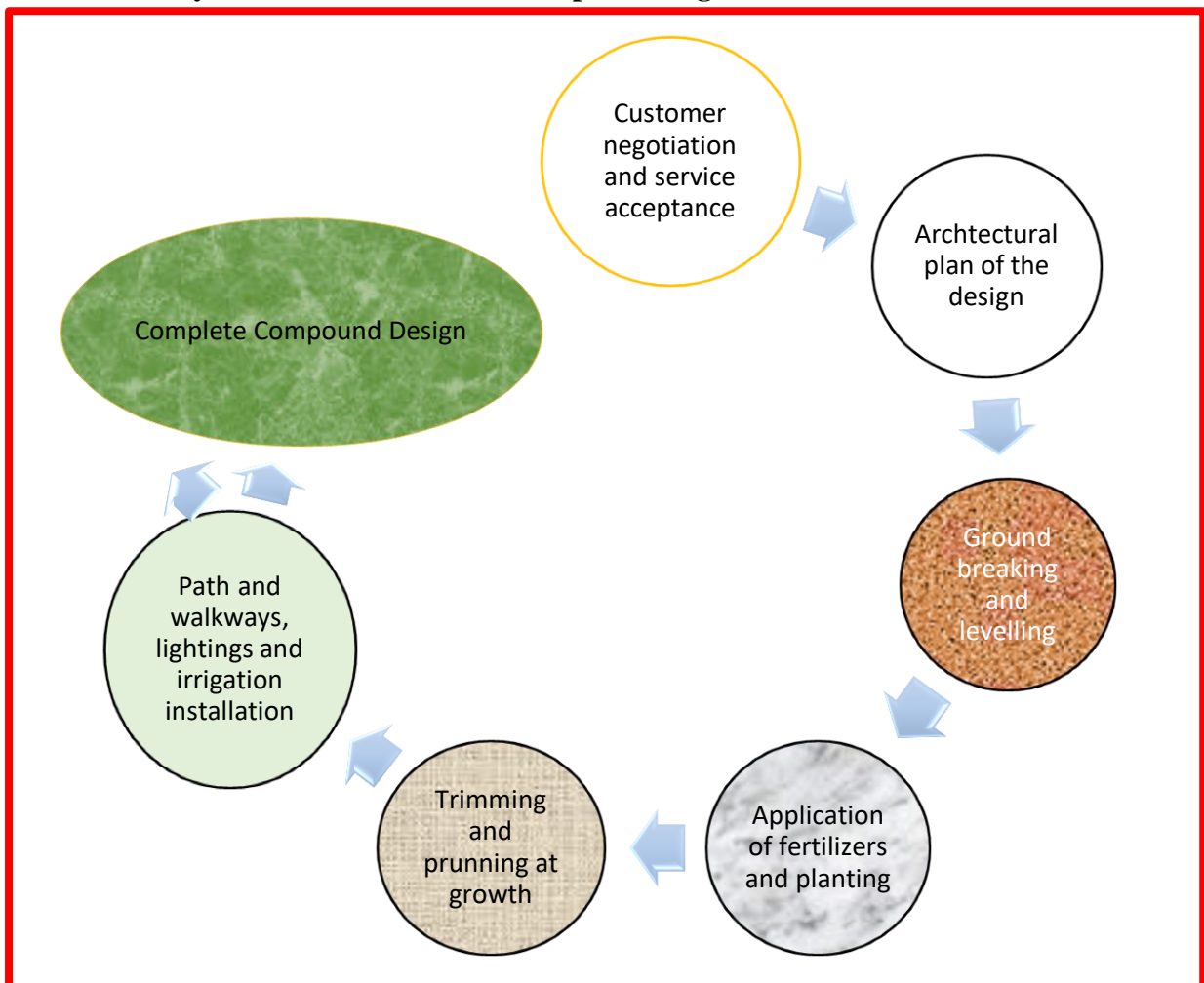
6.2 Operating cycle

The fundamental operation of the company is compound designing. However the business has a number of activities to perform before the fundamental operation is reached. It's like a process that the business shall pass through to finish the designing service.

The times between each activity depends on the nature of the ground and soil where the compound is to be designed. The ground leveling work takes the most time in the process and make the other activities to lag behind which delays the work that would be done in one day. The process also looks at the size of the compound to be designed and the number of activities required to form a design. A normal compound takes about one week to come up with the design when all the activities are incorporated.

Where there a many compounds to be worked on, the business shall divide the employees to start at different compounds as others finish some part, the others can work on the other compounds. This will be intended to speed up the work at low costs and to catch up with timely factor given by the customers. The process shall be as follows;

6.2.1 Service cycle that will lead to the complete design



6.3 Equipment and other requirements

The business will have to purchase the following equipment and facilities so as to enhance service delivery at the beginning of the period before 31st June 2022. The table below shows the types of equipment required in the business.

No.	EQUIPMENT	ITEMS REQUIRED	No.	AMOUNT
				SHS '000'

1.	Land (nursery bed)	<input type="checkbox"/>		1,000
2.	Buildings (store)	<input type="checkbox"/>	4 rooms building	2,000
3.	Office equipment	<input type="checkbox"/>	Furniture	300
		<input type="checkbox"/>	Computers	2,000
		<input type="checkbox"/>	Documentation	150
		<input type="checkbox"/>	Filing locker	500
4.	Gardening equipment	<input type="checkbox"/>	Wheelbarrows	300
		<input type="checkbox"/>	Scissors and gloves	100
		<input type="checkbox"/>	Trowels and spades	200
		<input type="checkbox"/>	Pruners and cutting tools	100
		<input type="checkbox"/>	Brushes and rakes	100
		<input type="checkbox"/>	Machine grass cutters and mowers	1,500
5.	Material storage	<input type="checkbox"/>	Containers	150
TOTAL of Equipment, land, buildings, furniture and motor vehicle				<u>8,400</u>

6.4 Strategy and plans

The designing process involves a number of activities that can be handled individually but all come to one thing at last and that is the design. This is reached at after negotiating with the customer about the plan that the customer chooses and its price is negotiated before the kickoff of the service. The decision is reached at for what materials to be used and what colors of plants to be used as well as the system that will enhance conservation of the compound design for a long time and the customer endorses the decision with the operations manager.

The business in some cases will have to take a decision on make or buy policy as some of the flowers used in the compound designing are hard and expensive to maintain and they are crucial in making a colorful compound. Such flowers include, Rose rugosa, bougainvillea, camellia, coneflowers and hybrid tea roses.

Employees will be trained on the designing process and the techniques used to make designs out of the plans. Therefore the business will not outsource as this would be expensive and increase on our costs. The equipment purchased will be able to fit in the store building.

6.5 Potential Suppliers

Contact has been made with different suppliers of equipment, furniture, construction materials, flowers and plants. These have been researched on and contacted them so as to negotiate the prices and delivery methods as well as terms of payments required. The financial manager shall be responsible for negotiating the terms and conditions of payment that would best suit the company financially. These include:

Cheap general hard ware. This wholesaler will provide us with equipment used in most of our compound designing services at a cheaper price but quality materials. The supplier is set to give our business a discount of 15% on purchases worth Shs.3,000,000 which the business

is willing to take at its start. This supplier will avail to us the construction materials and garden tools that will be used in the nursery bed and in the compound designing process.

Uganda clays limited. This supplier will supply our business with pavers used in construction of path and walk ways in compounds. The pavers are of good quality and in different designs and colors which will be available also at a discount. However this supplier can offer credit sales which the business would benefit the company in the short run.

JJ furniture world LTD. This supplier will offer the business with furniture products which will be used in our offices and stores. The supplier offers the furniture at a relatively cheaper price compared to other suppliers and they are of quality as well as unique designs. The supplier also offered after sales service of fitting the furniture at the storage building but at a cost in the office fixtures.

Vannida Flowerage Services. This supplier offers the best flowers that would be used in the garden and compound decorations. This supplier will be useful in supplying the flowers that are expensive to maintain and that are not known to many customers. This supplier is yet to be negotiated with the price but has been researched and proves like is the best candidate to supply us with the flowers.

6.6 Service control policies

These are policies to be put in place to control the movement and procure of materials and other equipment used to deliver services to the customer's compound. These include quality controls and materials control policies.

6.6.1 Quality control policy.

As regards our objectives, quality services to our customers shall be availed through the designs that we make in their compounds. The company shall seek to maintain quality standards to a high level by meeting our customer expectations and satisfaction as well as to reduce service problems. The quality control procedures shall be as follows.

- i. Use of high quality materials in construction of pathways and walk ways and lighting systems.
- ii. Damaged flowers and trees shall not be used in the designing process as they shall be checked before bring them on site
- iii. Ensure supply of quality products by our suppliers especially plants and flowers, lighting and irrigation systems.
- iv. Ensuring a good working environment of our employees so as to reflect a good attitude toward designing and planning.

6.6.2 Materials Control Policy.

Materials would be in terms of plants and flowers in the nursery bed that would be used in decoration and designing purposes of our customers compounds. Materials used in the designing process as well would also require a control so as to monitor their movement in the

store as well as in the field by the employees. The following procedures shall be followed to control the movement of materials and plants.

- Records shall be maintained at the store to show what has come in and what has gone out of the store to control their movement
- Stock cards shall be used in the nursery bed to show what is available as balance and what has been added.
- Financial manager shall do stock taking at the end of each month and follow up all the ins and outs of the flowers and plants and to which projects where they have been taken to find their value.

6.7 Regulatory and legal issues.

The business has been registered with the Registrar of companies and has permission to operate after obtaining a Certificate of Incorporation. This was reached at when the business name was submitted to the registrar of companies who wrote back to us that the business name did not exist in the registrar's names and had fully fulfilled the necessary requirements for registration therefore was eligible to start operations. In Uganda's laws in the company act 2012 states out that for a company to start operating must be registered with the registrar of companies which was complied with in the process of registration. The business has got a full rights to operate as a private limited company on a partnership basis under the names of Executive compound services (U) Limited.

CHAPTER SEVEN: FINANCIAL PLAN

7.0 Introduction

Executive compound services (U) Limited is a new venture that will run on a partnership basis and therefore funds required to finance the business venture will be contributed by the partners. Each partner is required to solicit capital that will be used in the business and the share of profits and losses will be in a ratio of the capital contributed.

7.1 Startup capital

The initial capital required to start the business is summarized below in form of Non-current assets (Fixed), current assets and other initial operating expenses.

PARTICULARS	AMOUNT (SHS '000')
<u>Fixed Assets</u>	
-Land (Nursery bed)	1,000
-Buildings (Store)	2,000
-Equipment	500
-Furniture and Fixtures	500
Operating Cash at Bank	2,000
-Insurance Premiums	600
Operating Materials	500
-Legal and Accounting Fees	500
-Rent Deposits	800
-Utility Deposits	500
-Supplies	200
-Advertising and Promotions(for a year)	100
-Licenses	600
-Other Initial Costs	200
Total initial Capital required	<u>10,000</u>

These assets will be financed by the partner's contributions and a loan that the business will borrow so as to inject in the business. This capital will be contributed before the end of the month of November so as to make necessary preparations and acquire the necessary equipment before we commence business.

The breakdown of the total owners' equity and bank loan is shown in the table below.

Particulars	Contribution (SHS '000')
Owner's Equity	
Ms.Ssentamu bonny	1500
Mr.Ssenyonjo Henry	500
Ms. Atuhaire Monica	1000
Mr. Kalule Silver	1500
Mr. Kafuko Ian	500
Total Owners' Equity	<u>5,000</u>
Long term liability	
Commercial bank loan	<u>5,000</u>
Total Equity and Liabilities	<u>10,000</u>

After further analysis, the business can acquire a loan from Centenary Rural development Bank of shillings 5,000,000 that is payable after 2 years at an interest rate of 10% per annum.

7.3 Reserves

The business plans to save aside shillings 3,000,000 per annum as retained profits to cater for the business when it runs out of cash and in case of a loss. The increase in the retained earnings will enable the business to reach out to most parts of the country mostly in towns where such services are needed mostly hotel and lodge businesses, bars and tourists resorts for example in Hoima, Fort Portal, Kasese, and other developed towns in the country.

7.4 Share of profits by partners

The partners will share the profits and losses in a ratio of 3:4:5:6 respectively. The partners are entitled to dividends at the end of the period according to the number of shares they hold in the company.

7.5 Break Even analysis (Cost Volume Analysis)

The company shall use the contribution to sales ratio to calculate the breakeven point of operation of the business for the estimated three years. This goes by the formula below;

$$\text{Contribution to sales ratio} = \frac{\text{Sales} - \text{Variable costs}}{\text{Sales}} * 100\%$$

Therefore the contribution = Sales – Variable costs

$$\text{Hence C/S ratio} = \frac{\text{Contribution}}{\text{Sales}} * 100\%$$

7.6 Cost Control

This task will be necessary if the company is to achieve its objectives. The finance manager will be responsible for the costs engaged in by the business and therefore the board has to put measures in place that will be followed to control costs which the finance manager will implement.

The finance manager will be responsible for making the budgetary estimates and therefore present them to the board for approval. Action will be taken on purchase of material and equipment brought into the business, transport and utility costs, as well as other costs must be put in consideration so as to control such costs and be able to increase our profits.

Business Sustainability

Executive compounds will achieve societal and environmental conservation through the following ways;

Use of high quality materials in construction of pathways and walk ways and lighting systems.

Damaged flowers and trees shall not be used in the designing process as they shall be checked before bring them on site

Ensure supply of quality products by our suppliers especially plants and flowers, lighting and irrigation systems.

Ensuring a good working environment of our employees so as to reflect a good attitude toward designing and planning.

The following are the Specific knowledge and skills applied while developing this project;

- Research skills
- Communication skills
- Writing skills
- Computer skills
- Accounting skills