INTRODUCTION

A business plan is essential in the success of any business enterprise. Failure in a business is the reality, and the primary cause is a lack of planning. There are various contributing factors that could lead to a crash of a business enterprise, and these may include: insufficient market research, bad financial planning, management, lack of social media presence. In detailing out a business, there are various things that should be considered, it covers the following information: what you are going to sell or produce, the structure of your business, your vision on how to sell the product, how much funding you need, information on financial projections, among other details.

WHY IS A BUSINESS PLAN NECESSARY

The concept of a business plan is on the basis of achieving success and gaining profit. This concept helps to show the preparedness and how your idea is worth starting. It channels and focuses your mind to the possibilities of reaching detailed goals. A business plan gives you the opportunity to change and improve your ideas before implementation, it gives you an understanding and a foresight of the future of your business enterprise.

BUSINESS PLAN FOR A YAM BUSINESS

Yam is a staple food that is high in demand both locally and internationally. As regards to that, it is wise to proceed and invest in yam produce business. The yam business can be done in two ways :

1. Dealers: These are traders who buy yam in bulk. They buy in bulk from farmers and sell it at giveaway price in the same market. In doing this, you have to go the bank early just about the time farmers will be bringing their yam produce to the market, buy the yam and sell them off immediately or the same day.
2. Retailers: They buy few yams from farmers and sell in batches of ten to twenty to customers.

In understanding the business properly, these concepts should be meticulously considered:

* THE SIZE OF FUNDS COMMITTED: The yam business is a very lucrative business. The small, medium and large scale production. The scale that an entrepreneur would adopt depends on the funds and other resources that are available. As regards to that, land, capital, machine and raw materials should be acquired and cost depends on the scale of business. Large business will demand a lot while a small business will not require so much.
* LONG TERM BENEFITS: Being a lucrative business, yam can be processed into flour, chips, etc. Yam can be boiled, fried, roasted, or pounded for consumption. In a long run they are lots of benefits from the yam business as they are various products that could be acquired from yam.
* THE RISK ELEMENT: Every business is subject to risk. Judgmental mistakes, estimation errors and the unpredictability of events are usually present in any business enterprise. Proper management and following agricultural rules can have a positive effect in controlling and avoiding risk.
* FEASIBILITY STUDY: This is basically an assessment of the practicality of a proposed plan or method. The feasibility study include:

1. Raw material survey: This involves studying the availability of raw materials required for the business. In siting a business place, the availability of materials is important as this helps to reduce cost and increase produce and effectiveness.
2. DEMAND STUDY OR SURVEY: in siting the business, the demand survey helps to know the level of demand or want of the product you want to market. A demand survey establishes the following: (a) supply and competition (b) pattern and location of demand of the product (c) government policy etc.
3. Technical features study: it helps to establish the following: (a) material and inputs (b) plant capacity (c) work schedule (d) machinery and equipment.
4. Location study: There are factors to be considered in a location study: availability of land, transport, water supply, power, adequate facilities for drainage and disposal, availability of skilled manpower.
5. Profitability and cash flow analysis: The profitability projections are essential to judge the financial desirability of a project. This focuses on cost of production, working results and break-even level.

YAM IN DETAILS

YAM (Dioscorea spp)

Yam belongs to the family Dioscoreaceae. It is a root and tuber crop popularly grown in West Africa and it is rich in carbohydrates. it is a tropical and sub tropical crop that requires a ph of 5.5. It is important to ask yam farmers in the area about the. (a) the variety that is preferred in that area (b) their planting season (c) pest and diseases that affect such variety (d) management procedures.

IMPORTANCE OF YAM

Yam is in the class of roots and tubers that is a staple of the Nigerian and West African diet, which provides some 200 calories of energy per capita daily. In Nigeria, in many yam-producing areas, it is said that yam is food and food is yam. Yams are a good source of vitamin c which is vital in fighting infections such as colds and flu and quick wound healing. It also help in anti-aging, strong bones, and healthy immune function. It also provide good amount of fibre, potassium, manganese and metabolic B vitamins.

CHOICE OF LAND

For better product a well-drained, deep, loamy soil is necessary. Where such is not available sandy and clayey soils can be managed intensively for yam production. However, very sandy and clayey soils should be avoided.

CHOOSE OF VARIETY

Important varieties of yams include:

1. Dioscorea rotundata – white yam
2. Dioscerea alata – water yam
3. Dioscorea bulbifera – aerial yam
4. Dioscorea cayenesis – yellow yam
5. Dioscorea domentorum – bitter yam

Deciding on the type of yam to cultivate should be decided considering the level of pest and disease resistance, high and stable roots yields and acceptable quality characteristics that meet ends meet and user requirements for food .

RECOMMENDED VARIETY

The yams recommended in Nigeria are:

1. White yam
2. Water yam
3. Yellow yam.

These species of yam have been proven to be resistant to pest and diseases of yam and the possess stable roots.

CLIMATIC AND SOIL REQUIREMENTS:

Yam requires a temperature of 25 degrees Celsius – 30 degrees Celsius; rainfall of between 100cm -180cm per annum; abundant sunshine and a well drained sandy-loamy soi rich in humus.

METHOD OF PROPAGATION

Materials: Yam is propagated by the following materials: yam setts, yam seeds or sett per holes or yam mini setts.

SEED RATE: one seed of yam or sett per hole, three to five tones of seed yam per hectare I required.

PLANTING DATES: Early yam is planted between November and December, while late yam is planted between March and April.

METHOD OF PLANTING

Open a hole on the heap. Place one yam sett inside with the cut surface turned upward and slantly placed at an angle of 45 degrees before covering with soil. The cut yam can be dried under the sun and dusted before planting with chemicals such as aldrin dust. This helps to prevent rottening and pest attack of the sett.

FERTILIZER RATE AND TIME OF APPLICATION

Apply 200kg ( four bags) of N. P. K fertilizer per hectare three months after planting , by ring method.

HARVESTING

Yam matures in 8-12 months after planting. Dig the soil gently with cutlass to remove tuber from the soil.

DISEASES

The major pests of yam are yam tuber beetle, yam shoot beetles, rodents. The main diseases affecting yam are yam mosaic disease, yam rot, yam leaf spot. These reduces the quality of the yam and can be avoided using certain measures.

ESTIMATED PROJECT COSTS AND REVENUE

1. LAND CLEARING

|  |  |  |
| --- | --- | --- |
| ACTIVITY | QUANTITY | NAIRA |
| LAND CLEARING | 1 HECTARE | 85,000 |
| CROSSCUTTING | 1 HECTARE | 30,000 |
| SUB TOTAL | 1HECTARE | 115,000 |
| TOTAL | 300 HECTARE | 230,000 |

1. EQUIPMENT

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
| NAME | Qty | MODEL | USD | NAIRA | K |
| Tractor | 1 | YSVT | 22,222 | 8,000,000 | 00 |
| Disc harrow | 1 | VSTVE | 2,778 | 1,000,000 | 00 |
| Sub soiler | 1 | EESE | 5,556 | 2,000,000 | 00 |
| Soy seeder | 1 | WWWVRE | 2,778 | 1,000,000 | 00 |
| Tripper | 1 | SYBE | 8,333 | 3,000,000 | 00 |
| Combined harvester | 1 | HONDA | 55,556 | 20,000,000 | 00 |
| Boom sprayer | 1 | KIA | 11,111 | 4,000,000 | 00 |
| Front loader | 1 | JCKE | 8,333 | 3,000,000 | 00 |
| Sub total | 1 |  | 116,666 | 42,000,000 | 00 |

(C) VEHICLE

TYPE MODEL NAIRA KOBO

|  |  |  |  |
| --- | --- | --- | --- |
| PICK UP TRUCK (2) | HILUX | 40,000,000 | 00 |

AMORTIZATION

This is a process of paying off debt with regular payments made over time.

NAIRA KOBO

|  |  |  |
| --- | --- | --- |
| LAND CLEARING AMORTIZATION (PER HECTARE) | 85,000 | 00 |
| LAND CLEARING AMORTIZATION(PER 300 HECTARE) | 230,000 | 00 |

REVENUE

|  |  |  |
| --- | --- | --- |
| YIELD PER HECTARE 3 TONNES AT 100,000 NAIRA PER TONNE | NAIRA | KOBO |
| REVENUE PER HECTARE | 300,000 | 00 |
| FOR 300 HECTARE | 90,000,000 | 00 |
| NET REVENUE FOR 300 HECTARE (WITHOUT AMORTIZATION) | 170,000,000 | 00 |
| NET REVENUE WITH AMORTIZATION ( 300 HECTARES CLEARING) | 60,000,000 | 00 |
| 2ND PRODUCTION CYCLE | 90,000,000 | 00 |
| NET REVENUE | 180,000,000 | 00 |
| NET REVENUE WITH AMORTIZATION(300 HECTARES) | 97,000,000 | 00 |
| ANNUAL NET REVENUE(1ST +2ND CYCLE) | 40,000,000 | 00 |