

NAME: Ibekwe Kenechukwu K.

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BUSINESS PLAN FOR I. K. COMPANY LIMITED

I. Cover Page

Title: Business plan for the buying and selling of building materials.

Prepared by: Housing Development Limited

For: I. K. Company Limited

Note: The information in this document is confidential and should not be in the public domain.

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III. Executive Summary: I. K. Company Limited is a distribution company which focuses on the buying and selling of building materials on a large scale. They have been in the business for five (5) years. Due to the slow rate in delivery of goods, the

management decided to increase the number of workers who do the field work in order to ensure service is delivered accordingly and in due time to ensure the customers are satisfied. It also seeks to ensure more spaces for parking goods are made available and also more vehicles for transporting purchased goods to the door step of our customers.

- IV. **Introduction:** I. K. Company Limited aims to ensure goods are delivered faster to customers with the help of new vehicles for delivering goods and also more man power to load the goods and also more space to pack goods. It is located at no.4 Oki, Lomalinda road, Enugu-North, Enugu. This is a family business of wholesale merchant in building materials.
- V. **Description of the Venture:** I. K. Company Limited is set to deliver goods to anywhere in the state and also to other states in large quantity only. The company sets to deliver any type of building material available in order to ensure its clients are well settled.
- VI. **Industry Analysis:** The Company seeks to deliver quality products to clients in order to prevent parts of buildings from suffering from faults in the future. The goods which are sold at I. K. Company Limited are of the best quality as they are approved by the states government.
- VII. **Market Analysis:** The Company is open and delivers to all individuals as far as they make payments. The company treats all customers the same way and this helps ensure there is equality irrespective of what one wants to purchase.

A market analysis studies the attractiveness and the dynamics of a special market within a special industry. It is part of the industry analysis and thus in turn of the global environmental analysis. Through all of these analyses, the strengths, weaknesses, opportunities and threats of a company can be identified.
- VIII. **Strategic Human Resources Planning:** At initiation, this company seeks to attend to all between the hours of 7:30am to 6pm and this helps ensure business activity is carried out effectively. There would be two stock or sales managers who would be responsible for taking records of the daily exit of goods and also income of goods. This would help ensure the goods are well recorded to prevent fraud. There would

also be a field supervisor who would be responsible for collecting invoice from customers and ensuring the men at work load the vehicles in order for the goods to be delivered immediately to the customers' destination.

Human resource planning is a process that identifies current and future human resources needs for an organization to achieve its goals. Human resource planning should serve as a link between human resource management and the overall strategic plan of an organization. Human resource planning is a process that identifies current and future human resources needs for an organization to achieve its goals. Human resource planning should serve as a link between human resource management and the overall strategic plan of an organization.

The compensation package for three years structure is represented below in the table;

Projected Staff Strength

Title	Year 1	Year 2	Year 3	Year 4	Year 5
Manager	1	1	1	1	1
Sales Manager	2	2	3	3	4
Accountant	2	2	2	2	2
Field Supervisor	2	2	3	3	4
Sales personnels	5	5	5	5	5
Field men	10	15	20	25	30
Cleaner	2	2	2	2	2
Security	2	2	2	2	2

Projected Total Compensation Package Per Annum

The manager is the owner of the business so he does not get paid.

Sales Manager – 150,000

Accountant – 145,000

Field Supervisors – 100,000

Sales Personnel – 100,000

Field men – 60,000

Cleaner – 20,000

Security – 40,000

- I. **Distribution and Purchase Plan:** The Company is in a very good site and this would make delivery of goods to be smooth and easier. The Company in its few years of existence has some loyal customers due to its location and warm reception given by both the manager and the sales personnel. This would help ensure delivery is always done quickly and with the help of the various vehicles used to deliver goods and field men, loading a vehicle would not be a problem.

These goods would be got from manufacturers at Ogun and some other well known companies which specialize in the making of quality materials used in building and furnishing homes and offices.

The Purchasing Plan suggests purchase orders that need to be created and by clicking a button these purchase are created automatically. In the main section of the document the information of what needs to be planned and for which time period is entered.

- II. **Marketing Plan:** There are various companies which specialize in the buying and selling of building materials but in order to ensure we get to the top in the business amongst others; the location of the company would play a huge role because it is at the entrance leading to where other companies are situated. The quality of products being sold would also help and also some recommendations from top officials and this would help the business to move forward. The prices of the goods would also be a bit lower from others in a way that would not affect our profit and in other to attract customers and partners to the company.

- III. **Organizational Plan:** The organization would not be a private limited liability because it tends to ensure the relationship between the manager being the owner and the customers who purchase goods from the company. This would help ensure they

can come back in the future to trade if the need arises or refer the organization to their friends or associates. This would help enhance the personality of the organization.

The Sales managers and other principal managers are expected to give account weekly in order to ensure accountability.

An organizational structure defines how activities such as task allocation, coordination, and supervision are directed toward the achievement of organizational aims. Organizational structure affects organizational action and provides the foundation on which standard operating procedures and routines rest.

IV. **Assessment of Risks and Problems:** In every business venture, there are always risks or problems and the ability to respond to them effectively would help ensure the business continues to grow. Some potential risks which were noticed during research include;

- Competition
- The zeal to work or knowledge of the work
- Provision of goods needed by clients
- Delivery of goods

In business, competition is unavoidable but the method in which we handle the rate of competition would determine the progress of the company. The knowledge of the work is not always there by employees who are first timers on the job so they would go through a seminar in order to ensure they are well grounded in the rudiments of the business. This on the other hand would help ensure they attend to customers well and there is no one being nonchalant towards his obligations as a member of the company. The provision of goods is not always easy because enough man power is needed to carry the goods and the unavailability would be a problem as the customers would not be served judiciously but with the increase of field personnel's, the work would be a lot easier and there would also be accountability. When there aren't enough vehicles to deliver goods, it would result in delay and this is why enough vehicles are required to ensure there is proper delivery without any form of complaint from the customers.

V. **Financial Plan:** The cash flow would be monitored by the accountants and supervised by the manager and this would help ensure accountability. He would also be responsible for checking the rate at which gain is made and also any loss acquired.

VI. **Conclusion:** In conclusion, this plan would be effective with the help of more field men and vehicles to help deliver goods to various purchasers. My business can execute this plan and ensure more income because the plan seeks to ensure maximum profit. I. K. Company Limited in the last five (5) years has been able to ensure distribution of quality products, in order to serve the clients well.