



Workbook 1: School Business Training

Introduction

Business Selection

Business Research Training

Business Implementation Training

Child Protection

Memorandum of understanding

School Name: _____

*Contributors: Mohammad AkramAzam, Emily Boothroyd, & Nik Kafka
Contact: matous.borkovec@peopleinneed.cz*

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Part 1: Introduction

Welcome and thank you

Who are we?

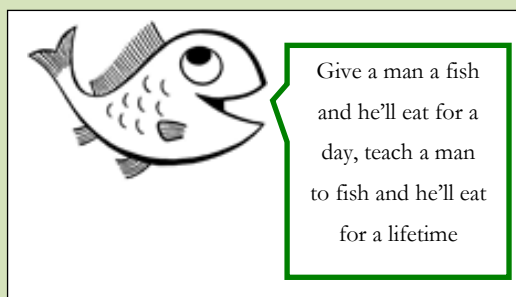
People In Need (PIN) is a Czech NGO providing humanitarian and development assistance in Afghanistan since 2001. Our programmes mainly focus on education, reintegration of returnees, water and sanitation and rural development. Currently, PIN has fourteen program offices in Balkh, Baghlan, Paktia, Nangarhar provinces and two central offices in Kabul and Mazar-e-Sharif.

PIN has been supporting the capacity development of Agricultural High Schools since 2006 with introducing modern teaching methods, curricula development, introduction of practical education (experimental plots, laboratories, orchards, animal farms in the schools), subject-matter trainings for teachers and strategic development planning for the school management.

Recently, the concept of school businesses is piloted in three model schools in cooperation with Teach A Man To Fish with an aim to strengthen the education in practical and business skills and at the same time to provide some additional financial sources for the schools.

Who is Teach A Man To Fish?

Teach A Man To Fish is an organization from the UK that supports schools all over the world to start school businesses. It has been running since 2006 and currently supports projects in Uganda, Afghanistan, Nicaragua, Guatemala, Honduras and Rwanda. We also have partner schools in over 80 countries.

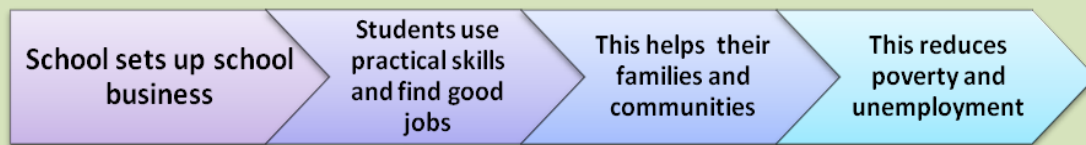


WE BELIEVE THAT SCHOOL BUSINESSES CAN HAVE TWO MAJOR BENEFITS FOR YOUR SCHOOL:

Learning: Students gain vital business skills

Earning: School gains extra income

We work with schools to promote a high-quality education which teaches business skills and generates income!



Project Details

These two workbooks will serve as guidance on how to start a school business in your own school.

It is a step-by-step manual which will cover the different set of tasks you will need to complete before starting a school business including preliminary research, planning, getting funding, and management of the running of a school business.

The workbooks can be used by the school management to decide on the type of business the school should start, but also as practical exercises for students in your school studying subjects related to business.

PIN will be conducting trainings in how to use the workbooks and regularly share experiences from our three pilot schools (Baghlan, Samangan & Ningarhar AVI) in PIN newsletters and other training material provided to the schools. If you decide to start a school business of your own, we kindly request you to share your experiences and results with us, so that we can share your success and lessons learned with other agricultural high schools in Afghanistan.

What support will be available?

Business research

During this workbook, we will develop business research skills together.

Business planning

After this workshop, our staff can support you if you have extra questions to help you finish planning your school business. However, the success of your school depends on **you**, and **only you** can make use of the opportunities available to you.

Business Implementation

After your business plan has been finalized and agreed on with the rest of your team, our staff can provide you with support through the implementation period. However, plan the business in a way that is sustainable for you without any external support. Do not plan to start a business that solely depends on getting money from actors where the competition is fierce such as INGOs.

The idea and the business belong to you, and its success will be mainly depending on how hard you are willing to fight for it!

Start-up capital

PIN will be hosting small grant competitions each year, these competitions can serve as opportunities for you to receive a start-up capital for your school business. But only the schools most committed to the success of their projects and with the best business plans and preparatory work will receive the start-up capital. That is why, we recommend you to look at all the possible sources for a start-up capital for your business e.g. local partners, parents and students of your school, DM TVET among others. Businesses that generate their own start-up capital will be

more likely to become self-sufficient faster than businesses depending on regular money-injections from external actors.

Baghlan AVI

In December 2012 Baghlan AVI and PIN developed a business plan for the school.

The business plan focused on starting a milk producing farm as an extension of the small scale cow farm in the school. The business is supported by experienced teachers in the school and PIN school business expert.



Samangan AVI

The poultry farm of Samangan AVI has the capacity to produce up to 700 chickens at a time. Chickens are kept up to 6 weeks and sold in the local bazaar.

Ningarhar AVI:

With a capacity of producing 1400 chickens, Ningarhar AVI has the opportunity to generate income to their school by selling chickens at the local bazaar.

The school has a business team which cooperate on developing and managing the farm and several members are currently also performing teaching duties in the veterinary institute of the school.



How to Use These Booklets?

These work books are designed to make planning your school business as easy and quick as possible. There are 2 work books:

- **School Business Introduction and Research**
- **School Business Planning**

The first workbook (this one!) includes an introduction to the school business model, selecting your school business, how to research your business, and training on school business implementation.

The second workbook will help you write your business plan.

Introduction to School Businesses

What is a business?

A business is one or more people who work together to sell a product or service to generate a profit. It is different from a project, since this does not emphasise profit.

What is a school business?

A school business is a business that is operated and managed by the students and staff at one particular school for educational purposes and to generate income for the school.

What does a successful school business look like?

A successful school business is using at least 20-50 students to operate and manage the business each year and generating at least 170,000 AFA in profit per year.

What is profit?

Write some ideas down here....

What should a school do with the profit it makes on a school business?

After each year, the school management should be able to say whether or not your school business is making a profit. If it isn't, then more work will need to be done strengthening the business management processes. If it is making a profit, then the school will need to decide how this profit is spent. Here are some suggestions:

1. Reinvestment – do not spend your profits, instead reinvest them in your business in order to grow it to a bigger scale and make even more profit next year! Businesses should always prioritise reinvestment in the first 1-2 years of production to ensure the business reaches a more productive and sustainable level.
2. Alternative investment – alternatively, you could reinvest your profits in another school business and diversify your income even further. Maybe you have another idea you think can make the school even more money and give the students more different opportunities to practice practical work?
3. Spend your profit on improving your school – ideally this should not be done initially as reinvestment in the business is prioritised. Once your business has reached its desirable scale you can start spending the profits! The other option is to spend a portion and reinvest the rest.

What should you consider when starting a business?

Write some ideas down here....

Why is it important to thoroughly research and write a business plan before starting your business?

Write some ideas down here....

Here are some key words associated with business.

Match the words with their definitions...

Income	The cost of inputs you need to buy regularly to keep your business going
Expenditure	Something valuable your business owns that can be used to generate income
Profit	Outgoing money from your business
Loss	The actions needed to run your business day to day

Investment	The money your business receives by selling a product or service
Assets	The actions required to ensure that the business is running sustainably
Running costs	The total income minus the total expenditure over a set period
Budget	The amount of money lost, if the profit is a negative number
Accounts	A prediction of how much money the business will spend and receive
Business operational tasks	The amount of money you put into your business to start and grow it
Business management tasks	Records of the amount or money spent and received in your business

Part 2: Business Selection

Vision and Mission of your School Business Project

Write down some answers to the following questions...

What are the challenges your school faces?

Which of these challenges can be helped by a school business? (and how can the school business help?)

Who will benefit from the school business and why?

Now establish the goals of your school business project by defining the vision and mission of your school business project. This will give you clear standards against which you can measure your project's effectiveness, and help you to explain to others why you are undertaking this project.

	Mission Statement	Vision Statement
About	A Mission statement talks about HOW you will get to where you want to be. Defines the purpose and primary objectives related to your customer needs and team values.	A Vision statement outlines WHERE you want to be. Communicates both the purpose and values of your business.
Answer	It answers the question, "What do we do? What makes us different?"	It answers the question, "Where do we aim to be?"

Time	A mission statement talks about the present leading to its future.	A vision statement talks about your future.
Function	It lists the broad goals for which the organization is formed. Its prime function is internal; to define the key measure or measures of the organization's success and its prime audience is the leadership, team and stockholders.	It lists where you see yourself some years from now. It inspires you to give your best. It shapes your understanding of why you are working here.

Here is an example vision and mission from the **Ministry of Public Health, Afghanistan**

Vision:Health for all Afghans!

Mission:Improve the health and nutritional status of the people of Afghanistan in an equitable and sustainable manner through quality health services provision, advocating for the development of healthy environments and living conditions; and the promotion of healthy lifestyles.

Now try writing your own vision and mission for your school business project, not your school as a whole.

Vision: What do you want your world and community to look like?

OUR VISION IS A WORLD WHERE...

Mission: What are the objectives of your project? Why do you want to develop a school business?

OUR MISSION IS TO...

What does your school have to do in order to achieve its mission?

IN ORDER TO ACHIEVE THIS, OUR SCHOOL WILL...



Resource Assessment

What is a Resource Assessment?

Analysis of which physical, natural and human resources you can use to help start your business.

Why do it?

To ensure you are building on your current strengths and opportunities when choosing a business. This will help your business be successful, and reduce the amount of money and effort required to start your business. If you pick a business that is not relevant to your current skills, environment, and available assets, your business has a higher chance of failure.

How do we do it?

Through research and asking questions! See the activity below!

Complete this resource assessment for your school, write as much detail as possible...

Natural Resources		
1	What is the local climate?	
2	Where does the school get water and how reliable is the supply? Could it support a business that needed water?	
Physical Resources		
4	How much land is available at your school that could be used for your school business?	
5	Are there any limits on how this land can be used? (E.g. Agriculture? Security? Accessible?)	
6	What school buildings are there, that could potentially be used in a business?	
7	Do you have any equipment or machinery that could be used to start a business? E.g. Computers, milling machine, vehicles?)	

8	Do you have electricity and how reliable is it?	
9	Do you have access to the internet at school?	
10	Do you have phone network at school?	
Financial Resources		
11	How much money (savings, funding or credit) is available to invest into your project?	
Human Resources		
12	How many teachers and how many students are at your school?	
13	Does your school have any staff or students with specialist expertise that could contribute to running a business?	
14	Do any of the school staff have commercial or business experience?	
15	Do you know of anyone in the community who could offer you advice or resources for a business?	
Social Resources		
17	Does the school have any links with local or regional businesses?	
18	Does the school have a good relationship with the surrounding community?	
Operating Environment		
19	What are the nearest villages/ towns/ cities that could be a market for your business? What is their population?	
20	What are the major local industries and which are growing fastest?	

21	Are there any obvious businesses or services missing in the local community?	
22	What inputs do the local industries rely on and where are they obtained from?	
23	Are consumers in the area more sensitive to price or quality?	
24	What are the key qualifications and skills that employers demand in your local area?	

Business Brainstorm

What is a business brainstorm?

A business brainstorm is where we write a list of all the business ideas we can think of that could be started at your school.

Why do we do it?

We want to think creatively and openly about all of the different options, without automatically choosing the business that everyone else is doing or is easy.

How do we do it?

Thinking about your resource assessment, write down a list of all the types of businesses your school could possibly start. Try and think realistically, but don't be afraid to think big and ambitious!

Write your business ideas here:

In general, there are some types of businesses that tend to be more profitable than others. At Teach A Man To Fish, our experience shows that value added products, niche market products and service businesses are usually more profitable than other types of businesses like primary production.

Match the terminology with their definitions:

Value added products

A product which is aimed at a specific small segment of the population

Service businesses

A business which produces and sells animal or vegetable products without processing it.

Primary Production
Niche Market Products

A product that has been processed by your business before sale
A business that sells a service, rather than a product e.g. hotel

Can you add any more business ideas to your list after considering this?

Write your favorite 15 business ideas here, and answer the questions for each business putting a tick or a cross as the answer.

Business Idea:	Is this easily implemented ?	Do you have the necessary resources?	Are you able to beat the competition?	Does this provide educational opportunities for students?	Do you have enough money to start this business?	Can this business make a large enough profit?
1	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
2	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
3	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
4	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
5	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
6	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
7	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
8	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
9	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
10	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
11	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
12	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
13	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
14	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
15	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

Now cross off the business ideas that have the most ‘crosses’ in the table above, since you have shown that these businesses are not suitable for your school.

Why is it important to thoroughly research your business ideas and choose your business carefully?

Businesses that have not been thoroughly researched and planned are more likely to fail, wasting valuable time and money. Each type of research this manual describes is important in ensuring every part of your business is planned correctly, reducing the chances of failure.

Here are some examples of why business planning and researching is important:

- Without market research, you do not know who you will be selling your products to, or what types of products they want, meaning you might not be able to sell your products.
- Without budgeting, your business running costs maybe too high, and your business will not generate as much profit, reducing the positive impact of your business.
- If you don’t involve students in the planning and running of your business, you may find they are not interested in the business and will not be able to benefit educationally from it.

Using your research above, decide on your top 6 business ideas for your school.

Our top six business ideas are:

1 _____
2 _____
3 _____
4 _____
5 _____
6 _____

SWOT Analysis

What is a SWOT analysis?

A tool we can use to see which business idea is the best one for your school. It assesses the internal and external factors that could affect the success of each business.

Why do we do it?

To check we are starting a business with the highest chance of success.

How do we do it?

Easy, simply fill in the table below! Complete one table for each business.

Business Idea:			
	Answer these questions and write the answer in the correct column:	Strengths and Opportunities	Weaknesses and Threats
1	What facilities and equipment does your school already have and what do you need to buy?		
2	Does your school have access to enough money to buy these new assets? Give details.		
3	Do any staff members have relevant skills or experience? What skills is your school lacking?		
4	Are the students interested in this type of business?		
5	Can this business generate enough profit to contribute to your school running costs?		
6	Is this business easy to implement? Why?		
7	Do students and staff at your school have time to perform the daily operational tasks?		
8	Does the business provide USEFUL educational		

	opportunities?		
9	External: Is there a local demand for this product or service? If yes, who and where?		
10	External: Who else is running a similar business and can you beat them?		

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Now carefully consider which of the business ideas offer the most potential to be successful.

Your team is going to vote for which business ideas they like the best. Give each team member 3 votes and go through each business, asking people to vote for which they like best. Write the most popular in the shortlist below:

Write your top 3 or 4 business ideas in the form below.

These are the business ideas that you will continue to research and assess the feasibility and profitability of in your market research stage.

Shortlist

1.
2.
3.
4.

CONGRATULATIONS, YOU ARE ONE STEP CLOSER TO SETTING UP YOUR BUSINESS!

Next Steps:

The next stage in planning your business is to undertake market research.

Part 3: Business Research Training

This section will train you on the business research you need to undertake so you can write a feasible business plan. You will have to do this research very thoroughly!

Market Research

What is Market Research?

Market research is the process of understanding the current buying habits and demands of your market.

Why do we do it?

We perform market research in order to get a deep understanding of what the customer wants to buy so that we can design our business to meet this desire. This means we can sell more and make a higher profit.

Examples of obstacles you face, if you donot do the market research thoroughly:

A school planned to expand a production that they already had in the school. The school did a market research but focused on prices for already processed products not the animal themselves. The animals proved to be 50.000 AFA more expensive per piece than originally budgeted. Consequently, the investment for expanding the business cost the school 200.000 AFA more than anticipated.

In cases where you have generated your own start-up capital a mistake like this can be the end to your business even before it has begun. Make sure to perform the market/competitor/SWOT analysis thoroughly before starting your business. It will also enable you to be aware of risks and how to find solutions for obstacles that you might meet.

While preparing their business plan, a school identified a lot of competitors with business ideas similar to their own. Their original solution was to sell their products at 10 AFA less than them. The school faced difficulties because they did not take into consideration that markets are dynamic and prices can vary from day to day.

Selling their products for 10 AFA less than their competitors resulted in them losing money when selling their product. The intense focus on prices made the school overlook other more important advantages of the competitors such as; knowledge of the local market, a regular clientele and the power of branding.

Therefore, spend a lot of time and effort in conducting the market research thoroughly. By the end of the research, you should be able to answer the following key questions:

Who is your market?

Who are your competitors?

Where do they currently buy from and what are the characteristics of this seller?

Is there an opportunity for your business to be successful in the market?

What questions should you include in a market research survey?

See if you can brainstorm which questions to use. Then look up the correct questions in the answer section of this manual and write them here:

Now, reformulate the questions above for one of your chosen businesses, putting them in the questionnaire below.

For example, if the question is 'Do you currently buy this product?', you should change the question to 'Do you currently buy butter?' (if your business is producing butter!)

Market Research Survey Answer Sheet

Question	Person 1 _____	Person 2 _____	Person 3 _____	Person 4 _____
1.				
2.				
3.				
4.				
5.				
6.				
7.				
8.				
9.				
10.				
11.				
12.				

Now, in your team, prepare market research answer surveys for each of the businesses you will research. You can either photocopy this table from the example at the back of the book, or draw out your own tables on blank paper.

Now you need to identify who you are going to ask the questions and where you will find those people. To do this, complete the following table, putting the business type in the column on the left.

Type of Business	Who is your market?	Where can you find these people?
<i>e.g. Bakery</i>	<i>Local people, customers at Shops, hotels, supermarkets</i>	<i>Local people in the neighbourhood, Small shops in the local area, Hotels and supermarkets in Samangan city.</i>

Before you go out to perform market research, we need to think of some of the challenges you might face when trying to collect answers.

People may think you are trying to trick them

People may run away

People may not want to give you answers to particular questions

People may lie to you

How can you reduce these problems?

One way is by taking a few minutes to introduce yourself to each person and explain where you are from and what you are doing. When they understand that you are trying to start a business at your school, they will be more willing to help you!

What will you say when you introduce yourself?

Now practice introducing yourself and asking the market research questions!

Now you are ready to begin your market research!

Arrange with your team which day and time you will undertake the real market research for each of your 3 or 4 business ideas:

Business	Name	Date	Time	Location

Use the market research questionnaires and market research planning you have done to go out into the community and undertake your market research. Make sure you ask at least 10 people the questionnaire for each business.

Competitor Analysis

What is Competitor Analysis?

Competitor Analysis is the process of identifying potential competitors to your business, analyzing their strengths and weaknesses, and planning how you can beat them.

Why do we undertake competitor analysis?

So that we can respond to existing competitors, and adapt our business in order to make it more successful.

How do we do it?

We have designed a table that can help you do this very easily! Perform competitor analysis on the competitors that your interviewees identified in the market research.

Because they are your competitors, you may have to find out how they work through observation. However, competitors who are much larger than you or work in a different region may be willing to answer your questions.

Performing Competitor Analysis

Think of who your real competitors might be for each business type and answer the competitor analysis questions for all of the business ideas on your shortlist. Your market research should have identified who your competitors are through the question 'Who do you currently buy from?' Try and identify 5 competitors for each business.

You can photocopy this table from the back of the book.

	Question	Competitor 1 _____	Competitor 2 _____	Competitor 3 _____
1	Where is the competitor located?			

2	What type of product /service do they sell?			
3	What are the competitor's prices?			
4	What are their operating hours?			
5	Who are their customers?			
6	What methods of marketing do they use?			
7	How much income/profit do they generate in a week?			
8	How are they trying to develop or expand?			
9	Do they have a good reputation locally?			
10	Do they offer any extra services?			
11	What are their strengths?			
12	What are their weaknesses?			
13	What is their Unique Selling Point (USP)?			
14	How can we beat this competitor?			

Consulting an expert

What is consulting an expert?

Consulting an expert is where you identify a person who is a technical expert in the type of business you are considering and ask them lots of questions about the business.

Why should we do it?

This will help you to understand more about the business operation, and help you plan the business more thoroughly, increasing your chances of running a successful business.

How should we do it?

Identify any experts through your own network or by asking other people, and create a questionnaire in advance of visiting them so you are clear on the questions to ask.

Make a list here of potential experts you could ask for each of your business ideas...

Business	Potential expert	Contact Information	Person responsible

Below is an example questionnaire that you can use when speaking to experts. Contact the experts you have identified above and ask each of them this questionnaire. You can photocopy this table from the back of the book.

Business Type:	
Question	Answer
Take me through the production process, step by step from beginning to end.	
How do we do this well to ensure the business makes a profit?	
Is it easy to make a profit? Of what scale?	
What should we avoid?	
What are the costs involved? (list all items, costs, units and amounts needed)	

What equipment is needed?	
What are the risks in this business?	
Who are my main competitors?	
Where are they based?	
What are their strengths and weaknesses?	
Is there anything else I should know?	

Business Research Analysis

Now you have completed 3 type of business research, hold a meeting of the school business committee in order to share the results of all the research with each other.

During the meeting, complete the tables below, 1 for each business, in order to analyse your business research.

Business Type: _____			
Market Research	1	Who is the market for this product or service?	
	2	How much do they currently pay?	
	3	Where are customers currently dissatisfied?	
	4	How can our school business improve what is already on offer?	
Competitor Analysis	5	Who are your competitors?	

	6	What can you learn from them?	
	7	How can you beat them?	
Ask an Expert	8	Is this business idea feasible for our school?	
	9	Is this business capable of generating over 170,000 AFA in profit every year?	
	10	Will this business provide valuable educational opportunities for the school students?	

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Ask an Expert	8	Is this business idea feasible for our school?	
	9	Is this business capable of generating over 170,000 AFA in profit every year?	
	10	Will this business provide valuable educational opportunities for the school students?	

During the meeting, compare the research analysis for each business, by asking someone to present the results for each business. The results of your analysis should help you to decide which business type is likely to be the most feasible and profitable. Once you have reached an agreement, write your chosen business here.

Our school business will be: _____

Training on how to write a Budget

What is budgeting?

Budgeting is the process of predicting how much profit or loss your business might make by subtracting the predicted cost of the expenses against the predicted income of the business.

Why do we do it?

It is important to carefully research and write realistic budgets to ensure that your business can generate a profit. Without comparing the expenses next to the income, this is impossible.

How do we do it?

By carefully listing all of the information needed to complete a budget and researching the costs and prices from reliable sources.

Useful Definitions

Investment	Putting money into the business in the hope that it will generate more income than the amount invested
Start-up expenses	The non-recurring costs of starting up the business, such as initial production costs and advertising.
Sales	The exchange of a product or service for money
Depreciation	A method of allocating the cost of a tangible asset over its useful life, in order to correctly calculate the business profit and loss annually.
Running cost	The cost of material you need to buy regularly to keep your business going
Cash flow	The total amount of money being transferred into and out of the business

You need to accurately research and write a budget for the business/es that you are going to implement. We will provide you with a template you can use to do this.

We are now going to practice how to complete a budget. Follow these instructions and carefully complete the budget sheets (you can find them in the back of this workbook). Once you have practiced writing a budget, you can then start planning a budget for your actual business.

Practice exercise: EGG BUSINESS START UP BUDGET

Start-up expenses:

- Transportation and fuel for buying the new equipment you expect to cost 10.000 Afghani
- You plan to buy 180 6 week old chickens for 200 Afghani each.
- Transport of chickens 2.000 Afghani
- The mixed feed costs 360 Afghani per day to feed your chickens. You should budget for feed for 60 day total (one production).
- The chickens need to be vaccinated at a cost of 20 Afghani per chicken. There are 180 chickens.
- You need charcoal to heat the chicks at a cost of 1.500 Afghani per month. You only need to heat the chicken farm in month 1 and 9.
- Saw dust to cover the floor costs 500 Afghani for 1 month. You need two
- Lime for sanitation costs 2000 Afghani.

New assets

- The chicken shelter construction will cost of 30.000 Afghani and you need one
- The feeding trough is 100 Afghani each and you need 40.
- The water through are 100 Afghani each and you need 40.
- Heaters are 1.500 Afghani and you need 2.
- A shovel cost 250 Afghani and you need 2.
- A wheelbarrow cost 3000 Afghani and you need 1
- A sprayer cost 2500 Afghani and you need 1
- A water tank costs 5000 Afghani and you need 1

Now add the **New Assets** with the **Start-up Expenses** and you will have the investment amount needed to start your new business.

Depreciation

Depreciation: you must depreciate your assets, since they will need to be repaired and replaced after a number of years and you should consider this cost in the profitability of your business. However, we do not depreciate land because land does not need to be repaired or replaced.

Depreciate all the new assets over 5 years and then calculate the annual depreciation by dividing the total cost of the item by 5. Do not depreciate the chicks as you will only keep them for a short period of time.

Production Calendar

You expect some of the chicks to die before laying anything, so only 150 chickens will remain. Each of these chickens will produce 30 eggs per month when they are in the egg laying stage. They will start laying in month 4. When the chickens stop laying eggs, they can be sold in the month 9 for meat.

Bear in mind that once the chickens are sold in month 9, you will purchase another 180 chicks.

Sales Calendar

- Eggs are sold for 10 Afghani each. Use the information to complete the daily and monthly egg sales.
- Chicken are sold for 200 Afghani each. Use this information to complete the month chicken sales.
- Calculate the total monthly income by adding the monthly egg sales to the monthly chicken sales.

Depreciation

Now divide the total annual depreciation from the investment worksheet by 12 to calculate the depreciation per month and fill in the monthly depreciation on the production, sales and expenses worksheet.

Profit and loss

Total the income for each month

Total the expenses for each month

Calculate the net profit for each month by subtracting the depreciation

Running Cost

- The mixed feed is 1.200 Afghani per bag (50 kg) and each chicken eats 100 g per day (remember that 30 chickens die). This means that the feed will cost you 10.800 Afghani every month.
- The 180 chicks need to be vaccinated at a cost of 20 Afghani per chick. The chickens need to be vaccinated in the 1st and 9th month
- The egg trays cost 600 Afghani per month and you will need to buy trays in 4th, 5th, 6th, 7th, 8th, 9th and 10th month.
- The saw dust for the floor covering is 500 Afghani per bag and you need 1 bag every 3 months.
- You need charcoal to heat the chicks in the 1st and 10th month at a cost of 1.500 Afghani per month.
- Once the chickens are sold in month 9, you will purchase another 180 chicks at a cost of 200 Afghani each.
- Transportation for chicks is 2.000 Afghani in the 1st and 10th month only.

To complete the 'cash flow' sheet you need to do the following:

Copy the income for each month from worksheet 2 "*Production, Profit and Loss*" into the row labeled 'monthly income'.

Copy the total cost of your investments from your start up budget worksheet and write the total costs in month 1.

Copy the total cost of your start-up expenses from the start up budget worksheet write the total costs to your business in month 1

Copy the total running costs per month from the production, profit and loss worksheet onto your cash flow.

Now calculate the total cash in and cash out per month

For the row labeled 'total cash flow (in – out = _)' subtract your total cash out from your total cash in to calculate your cash profit each month

For the ongoing cash balance, first write the total cash flow amount in month 1. For month 2, add the ongoing cash balance from month 1 to the total cash flow amount from month 2. For month 3, add the ongoing cash balance from month 2, to the total cash flow for month 3. Continue this process for all 12 months.

CONGRATULATIONS! YOU HAVE FINISHED YOUR FIRST BUDGET!

Now you have completed this budget, you will be able to complete a similar budget for your school business/es.

In Workbook 2, we have included the same blank budget sheets that you should use to write a budget for your business. We can also provide you with electronic copies if you prefer to complete these budgets on a computer.

Useful tips for decreasing of running costs:

When you have started your business, you might experience that your running costs are taking up most of the space in your budget. As one of the main objectives of a school business is to make a profit, you need to consider how to decrease your running costs to balance your budget and make a profit.

There are several ways to decrease your running costs. Underneath you find examples of how to achieve this. Consider the fact that you might have to make an additional investment to decrease the running costs over a longer period of time. If you plan it well, discuss it thoroughly in the

business team/include the opinion of an expert the investment will pay its cost back with the profit you will be making because of the improvement.

Your production in the school should be as self-sufficient as possible. Try to find a business where you have most of the raw materials needed already in the school.

- Check the market prices frequently. You might have chosen the cheapest supplier when you started the business, but there is always an influx of other competitors. They might be able to sell you the same quality of products for a cheaper price.
- Consider investing in machinery that will allow you to produce some of the products you need for your school business, in the school (e.g. feed for animals, ingredients for processing business)
- Revise salaries for staff in your business. If you are paying an external worker to perform work in the school, consider revising the salary or use human resources already present in the school.
- Transportation costs are usually expensive. Consider buying products closer to the school to decrease these costs.
- If your school business has live animals and you are spending a lot of money on vaccinations and medicine for the animals, consult a veterinarian or local expert. They might identify problems with hygiene or type of animal and give you advice on how to improve your production.
- Consider buying raw materials in larger bulks. In most cases you have a better chance of getting the supplier to give you a discount (if the products are perishables consider that an attack by rodents or insects will have greater consequences for your stock the larger it is).
- Think of alternative ways of getting the product or service that weigh heavily on your budget. Use the business team, students or expert to come up with new ideas.

Training in planning your Management Structure

What is management structure?

The management structure describes how your business will be operated and by whom.

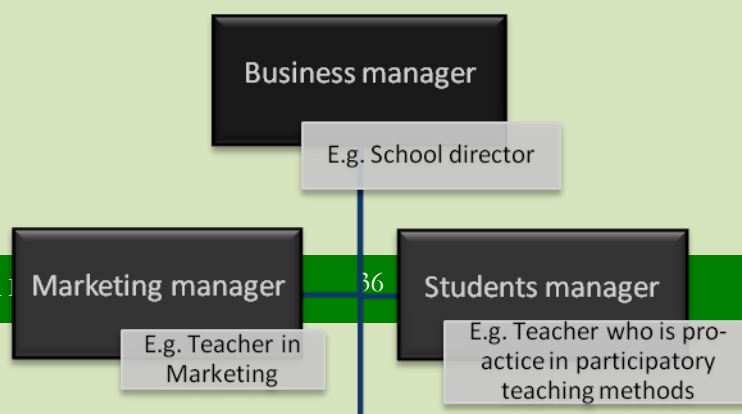
Why do we need to plan this?

It is important that everyone is clear what their roles and responsibilities in the business are, so that all tasks required by the business are carried out, and challenges are dealt with quickly by the appropriate person.

How do we plan this?

By designing an organogram and allocating responsibilities to each person.

It will be useful for you to create an organogram tailored to your business to include in your business plan. Here is an example of a basic organogram:



*Draw an organogram here that you could use to describe the management of your school business within you school.
Don't forget to include the students!*

Practice Exercise: Management Structure

Now match the following responsibilities with the appropriate roles listed in the organogram by writing the letter next to the role.

Selection of staff
Overall financial management of the business
Day-to-day running of business production and record keeping
Ensure the business is used for educational purposes
Marketing of the school business
Participating in production and record keeping of the business
Recruiting students to manage and work at the business
Bring Head teacher to account for business operations and finances
Termly finance reporting to Board of Governors
Finance reporting to the local and school community
Weekly finance reporting to head teacher
Daily finance reporting to business manager
Reporting to head teacher about use of business as a learning resource
Mobilising resources such as start-up investment
Deciding how profit is used
Termly review of business strategy
Monitoring of business performance with original budget

You will use this management structure, and roles and responsibilities, in your final business plan.

Training in Marketing & Sales

What is Marketing & Sales?

Marketing and sales is the process of attracting customers to buy more of your products or services. Sales considers the price, product and place of your business goods or services, marketing considers how you will actively promote your business.

Why do we do it?

To attract more customers which lead to increased sales, and increased business profit.

How do we do it?

By designing a sale's and marketing strategy and implementing it.

Now we are going to write a marketing strategy...

Customers are most likely to buy your product or service if you meet their needs in four key areas: **price, product, place and promotion**. These are the four P's, known as the 'marketing mix'.

Price: Prices must be affordable to the customer and competitive

Product: The product must be necessary or useful to the customer

Place: The product must be available in an obvious & accessible location

Promotion: The customer must be aware it exists and where it is available

Your market research will help you to establish the place, price and type of product for your business. Brainstorm different promotion strategies that could be used for a business:

Here are some more promotional strategies that can be used:

Always consider the risk of being very visible, if your school is located in an insecure area. Some of the options mentioned below are more secure to use than others. It will be up to you to judge which method is the best for your school and students.

Word of Mouth

Ensure that your customers have a positive experience, through a good quality product/service, this will get them talking to their friends about what you offer. In a rural community we tend to see that word-of-mouth is a powerful tool - use it in your favor.

Networking

Be visible in community events, festivals, the weekly bazaar, trade shows and activities. Try to associate yourself with local education and business organizations. Create a business card that includes your name, position, contact information and the logo of your business (if you have one), keep the presentation simple and distribute it widely.

Web/ Social Media

Do you have access to Internet, have a friend that does, or perhaps an Internet Café near you? Create an email account for your business, easy and free! Get the emails from your customers and send them monthly updates.

Through Facebook, Twitter, or by creating a Business Blog communicate daily with your customers and use it as a platform to let them know about new products or services you are offering.

Mobile

If you do not have access to Internet, how about using your mobile to promote your product/service? A great way of spreading the word, if you are having a sale, or if you have a new product/service to offer!

Referral

Why not reward current customers for bringing new customers? (i.e.: discounts, promotions). Customer Loyalty should be rewarded, keep on building a good relationship with your customers and soon they will bring new ones!

Local press/ Local radio

Create a list of the local press and send a letter/email telling them about your business - follow up by phone. Maybe in the local newspaper they sell space for you to advertise your business, find out about the cost of advertising. Basically see where the community gets their information from, and try to bargain your way in.

Open Day/ Demonstration/ Tasting

Get people involved! Customers like to learn about the product or service they are spending their money on. Hold an Open Day: entertain but also inform your potential customers. For Demonstrations/Tastings choose the right location for a stall, where there is passing trade. This method can be costly, so consider your options carefully. Will you have a lot of people coming, is it worth it?

Give-aways

Free samples of what you offer can influence your potential customer's buying decision. Short-term incentives as such can encourage sales especially if you are offering something completely new.

Again consider how much you will spend on a Give-Away and what will be the benefit for you?

Flyer/brochure handout

Create and distribute printed material with basic information about your business: make it attractive, simple and to the point! You can produce the flyers and brochures in the school with the help of your students. They can design and print them on the school's computers.

Things to think about:

What is the cost to produce these items? Mass-producing them would keep the price down and it would mean you could use them for an extended period of time.

Who will distribute them, how and where?

Wall paintings/ banners

Painting: get the pupils helping! Put the name of your business and logo so potential customers can quickly identify you. If you have space draw images that help people associate the product/service you offer with you. Think about other options within the same wavelength: can you advertise on public/private vehicles for example? Make sure that you hang your banner in an appropriate place, and you have permission if you hang it in a public area.

Branding: Are there competitors for your product or service? Are you offering something new? These questions will help you in realizing if there is a need for branding per se or just product/service information. In a location whereby competing products/services are very similar, you need to stand out

Partnerships with other businesses

If you do not have a lot of cash to spend on marketing why not partner with another business that targets a similar group of consumers? By this we do not mean someone that offers what you offer, but that perhaps complements your product and service.

Publicity through other means

How do local businesses advertise their service/product? Depending on where you are people might use particular means of publicity. For example, in rural Afghanistan you may find that you can hire an individual to go around the village on a bike with a mega-phone providing information about your business. Presenting a different approach to publicity is good; it is

entertaining and can immediately catch the community’s attention but, do not disregard traditional methods used.

Ask your students. They can have new ideas of how to promote your product. They can also ask their parents, who might have experience in promotion, or they might work at the local radio station and will be willing to advertise for your school’s product as a discounted price.

Complete this marketing strategy for your business, using the most relevant promotional techniques for your business.

Business type: _____				
Marketing Mix:				
Product:				
Price:				
Place:				
	What?	Where?	Why?	Budget (AFA)
Promotion technique 1				
Promotion technique 2				
Promotion technique 3				
Total Budget:				

You will include this strategy in your business plan.

Sales Techniques

What are sales techniques?

Sales techniques are the way you communicate with potential customers

Why are they important?

They are important because they can affect whether you make a sale or not, and consequently the income and profit of your business.

How do we use them?

We decide what techniques we want to use, practice, and then implement them in the business.

In sales, the most important thing is to communicate to your customer what your product is and how they will benefit. Understanding how to communicate with your customers will be made easier by knowing their needs, which should have become clearer through your market research.

Here are some tips for successful selling:

- Build a relationship of trust with your customers by being friendly, informative and truthful
- Be confident and assertive in your manner but never aggressive
- Understand your customers' needs and expectations by asking for comments and feedback about your product
- Make sure all of your literature and products have your logo, name, and contact information clearly marked on them

Practice Exercise: Sales in a Tailoring Business

Practice the tips for successful selling on each other by splitting into pairs and assuming roles in a business exchange:

- **Person A:** is looking for a place to get her son's uniform fixed but is sure she needs to go to Kabul to get it done by a proper tailor whom she has previously visited
- **Person B:** Is running a tailoring service and has to convince her to try out their service out, which would save her time and is near the same price

Now discuss the results of the exercise by answering the following questions:

<i>What were effective ways of convincing Person A to try out their service?</i>	
<i>After she decides to use your service, how will you ensure that she comes back again?</i>	

CONGRATULATIONS! YOU ARE NOW READY TO WRITE YOUR BUSINESS PLAN!

Part 4: Business Implementation Training

What is business implementation?

Business implementation is where you put your business plan into action, and start operating your business.

Why are we doing training on it?

There are some skills which can help you to successfully implement your business. This part of the workshop will help you to strengthen some skills that can help you do this.

What skills will we look at?

Problem solving

Using your business to educate your students

Record Keeping

Action Planning

Problem Solving Exercise

No matter how thorough your business planning is, you will encounter some challenges in the process of setting up a school business. Below are a few examples of problems that have previously been experienced in school businesses – how would you solve each problem? Discuss these with your team. There are some suggested solutions at the back of this book.

Your staff members and students are not committed to the idea of starting a school business and are not providing support. They say they don't see what the benefit is to them since they are already so busy with school duties. How can you persuade them that starting a school business is a good idea and they should help you?

You want to start school businesses and have a few ideas but you lack the technical expertise in how to start and run the business successfully. How can you gain knowledge on how to run the business and make sure you are successful?

You are trying to think of businesses you could start at school but you are in a remote rural area and there isn't a big market for you to access. How do you ensure there is a market for your business?

--

You want to start businesses at school so your students gain valuable practical entrepreneurship skills, but they already have a hectic timetable and finding the time for them to work on the business is not easy. How will you ensure that the business provides students with practical experience and fit them into the timetable?

Your business is up and running but you are having security issues. You think the business manager or students might have stolen money from the business or are giving services to their friends for free. How do you stop people from abusing your business?

Your business is up and running and it seems popular with the customers. The only problem is that you have allowed your customers to take on credit and the debts owed to you are increasing. How can you maintain good customer relations but also reduce the amount people are taking on credit and get them to pay their debts?

When you encounter challenges in your own school business, you and your team will have to think creatively about how to solve them.

*Remember, all businesses small or large encounter challenges. It is those **businesses that find creative solutions that become successful**. Solving problems creatively is one characteristic of an entrepreneur!*

Using your Business to Educate your Students

Remember that school businesses can benefit your school in two main ways:

- Students gain relevant practical business experience that can help them to make a living after leaving school
- The business income can generate extra income for the school

Here is a list of different ways that students can be involved in school business and benefit from school business. The ways you involve students in your school business will be depend on what is most convenient for your school! Not all of the suggestions below will be appropriate to every school, select those which suit you.

Work on school businesses

- Before/after school or lunchtime business work
- Business work in school holidays, either as homework or an on-site internship
- Internships in school business or other business – this may be suitable for final year students?
- Quarterly meetings with students/monitors to review figures and analyse possible action plans
- Market research (e.g. assessing the school's resources, researching different business ideas, assessing the competition)
- Production (e.g. Planting, weeding, feeding, making)
- Budgeting (e.g. Calculating the driving prices, calculating the profit margin)
- Marketing (e.g. Deciding on a marketing strategy, promoting the business)
- Sales (e.g. Persuading customers and negotiating)
- Record keeping (e.g. stock checks, inventories, keeping daily registers of production, keeping records of amounts of inputs)
- Value chain and business development (e.g. Carrying out value chain analysis to ensure they deliver maximum value for the least possible total cost)
- Decision-making and problem-solving

Other educational opportunities from school businesses

- Practical lessons on business operational tasks
- Practical lessons on business management task
- After school business club on business management
- Teachers can use practical business examples in academic lessons
 - E.g. in subject; Marketing, Economics, Poultry management, Computers, Microbiology.
- Students can write their own business plans/start small businesses
- Learning exchanges: If there are any nearby schools with businesses, students can do exchanges and learn from each other.

Involvement for the community

- School could run a marketing or value added business which complements a production type business the students and their families can start at home. E.g. families produce fruit which the school buys to make jam it sells to hotels. This would:
 - Bring extra income into the family (with reduced costs of sales/ better market access)
 - Reduce production risk at the school
 - Increase the potential scale of the school's business (not limited to its own facilities)
 - Strengthen the relationship between the family and the school
 - Increase the available school time for thinking about the 'business' elements of the business (vs. production activities)

Statement on Child Protection:

In relation to school businesses, student wellbeing overrides all other considerations, particularly business profit. No school should run a business for learning and income-generating purposes that puts children at risk of exploitation, at risk of harm to children's health or education, at risk of danger (that is not mitigated) or which contravenes local labour law. Tasks children undertake in school businesses should be safe and appropriate to their age and should not jeopardize their right to education, relaxation and play (Article 32, UNCRC, see appendix). Repetitive tasks should only be carried out if the young people are learning new skills through them or developing further their existing skills.

When planning for educational school businesses, it is important that school management carefully consider the above statement and plan student involvement in an appropriate way.

How can your school involve girls and boys in your school business? What business management tasks can students take part in? What operational tasks can students take part in?

Give examples of how teachers can use the business as a practical example in lessons. Which subjects could feature the business in their lessons?

Subject	How to use business as example?
<i>Economics</i>	<i>Calculate running costs</i>

Record Keeping

What is record keeping?

Record keeping is a vital activity in the day-to-day operations of your business. It is the process of writing down all the income and expenditure for your business in record book, which can either be on paper or on the computer.

Why do we do it?

It is very important to track the income and expenditure of your business, because it gives you a clear picture of how the business is performing. With this information, you can adapt your business to maximize the income and minimize the expenses, making your business more profitable.

How do we do it?

By designing record keeping procedures, training the business staff to follow these procedures, and implementing the procedures.

Practice your record keeping skills by completing the Sales Book and Cash Book for this sample school shop. For the Sales Book, calculate the total income from sales for each of the days.

SALES BOOK RECORD

Date	Item	Income
3/1/12	Chicken meat	5680
	Live chickens	8056
	Chicken meat	14360
	Live Chickens	6246
	Eggs	1000
	Eggs	800
	TOTAL=	
3/2/12	Chicken meat	6620
	Milk	14000
	Yogurt	1000
	Cheese	3000
	Live chickens	14537
	TOTAL=	
3/3/12	Chicken	6615
	Chicken meat	2298
	Milk	1400
	Chicken	15772
	Yogurt	9072
	TOTAL=	

Now, use this data to fill in the missing information in the Cash Book including Income, Balance on Site, Balance in Safe and Total Balance.

CASH BOOK RECORDS

Date	Description	Income	Expenditure	Total Balance
2/22/12	Opening Balance			85400
2/23/12	Purchase of lime		210	85190
2/23/12	Purchase of Plastic		216	84974
2/23/12	Purchase of curtains		240	84734
2/24/12	Purchase of paper		250	84484
2/25/12	Purchase of mixed feed		40000	44484
2/25/12	Purchase of sugar		225	44259
2/25/12	Purchase of chickens		20000	24259
2/26/12	Purchase of medicine		5000	
2/27/12	Purchase of vaccine		4000	15259
2/28/12	Purchase of distill water		200	
2/28/12	Purchase of saw dust		2400	
2/29/12	Income	5000		
3/1/12	Income			
3/2/12	Income			
3/3/12	Income			

PIN staff will work with you during business implementation to help you set up your record keeping systems. It should be based on the sales book/cash book structure used above!

Action Planning

What is Action Planning?

Action Planning is a key skill in business implementation and management. It means thinking about all the tasks that have to be done, when they have to be done by and by who.

Why do we do it?

It is important to ensure that all the tasks that need doing are done on time, in order to move the project forward. With action planning, everybody is clear on what has to be done, what they are responsible for, and when they have to do it by.

How do we do it?

There are different ways of action planning, but we are going to share a very easy way to action plan, which uses a chart and weekly meetings to ensure the project moves forward as planned.

Action Planning Chart

Complete the monthly action planning chart template below:

Under each task heading, list all of the sub-tasks that are required to complete the main tasks.

Decide what the deadline is for each of these sub-tasks, write them down.

Decide who is responsible for completing each of the sub tasks (use the organogram.)
 Enter the initials of the person responsible for each task into the box that corresponds with the deadline date.

Task	Week	Week 2	Week 3	Week 4	Responsible person
Business Operations					
Involvement of students					
Business Management					

Communicati on with PIN					

Weekly Meetings

It is very important to have regular meetings with your school business team to ensure that everyone is clear on what their particular tasks are for the next week, and to ensure they have completed their tasks from last week. These meetings should be on a regular time and day, and have a clear agenda, to ensure the meeting does not run for too long.

Day and time of regular meeting

Participants Name

Agenda of meeting

This is the end of workbook 1.

Answers and Examples

p.6

What is profit?

E.g.

- A financial gain
- The difference between the amount earned and the amount spent in buying, operating, or producing something.
- Total income minus total expenditure
- Money made from a product after spending

What should you consider when starting a business?

E.g.

- What resources are available
- What product/ service is there a need for
- How much money you have to spend
- Is there enough money available to kickstart the business?
- Who is the target market
- How will you promote the business

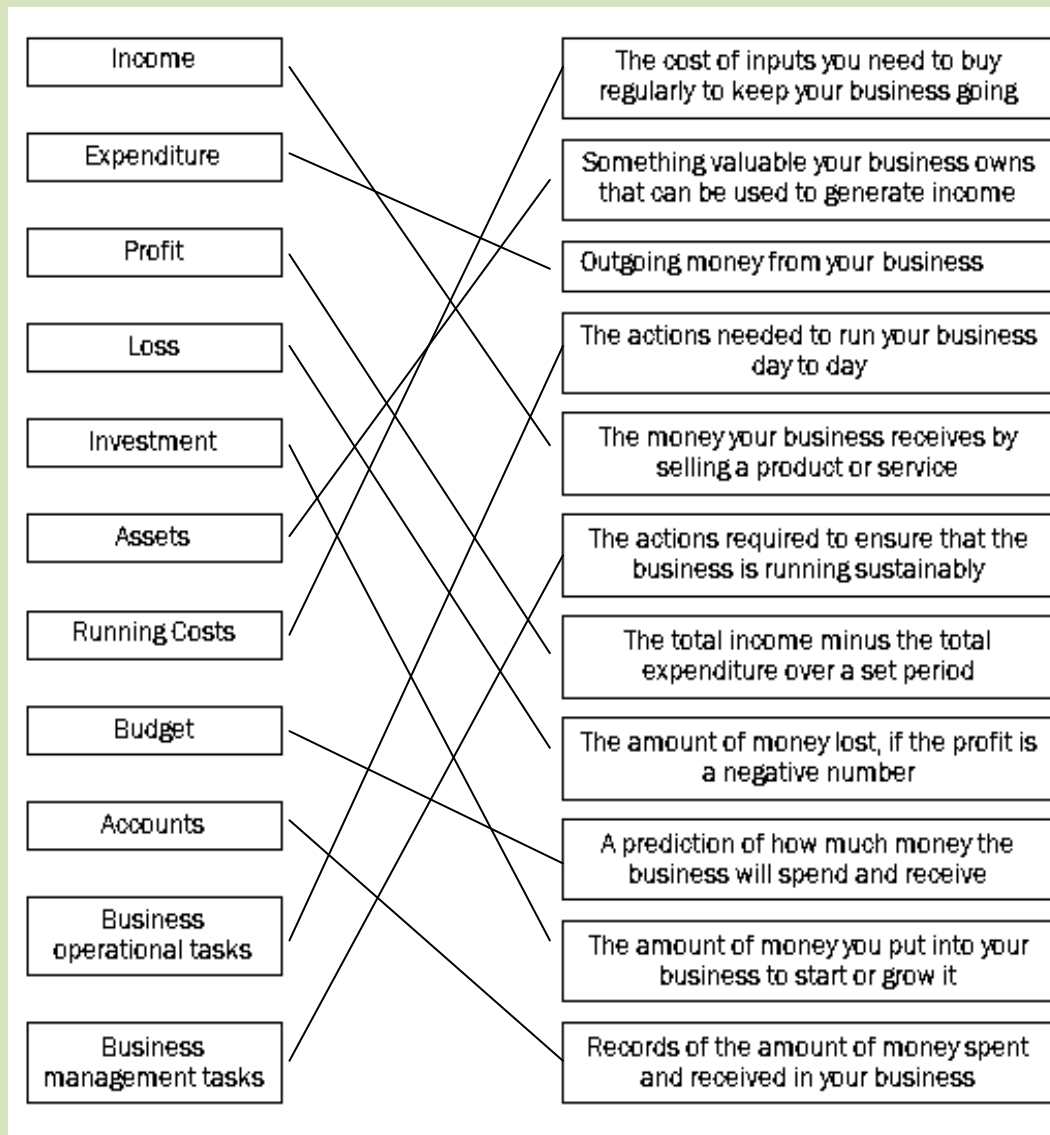
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Why is it important to thoroughly research and write a business plan before starting your business?

E.g.

- So you can figure out the logistics, e.g. how much of a product you will need/ venues/ cost
- So you can avoid making mistakes
- So you can deal with problems in an effective manner when they arise

Match the terminology with their definitions:



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What are the challenges your school faces?

E.g.

- Lack of funds for the school
- Not enough teaching resources
- The current curriculum is not providing the students with the right skills to enable them to find employment after graduating
- The students are bored

Which of these challenges can be helped by a school business? (and how can the school business help?)

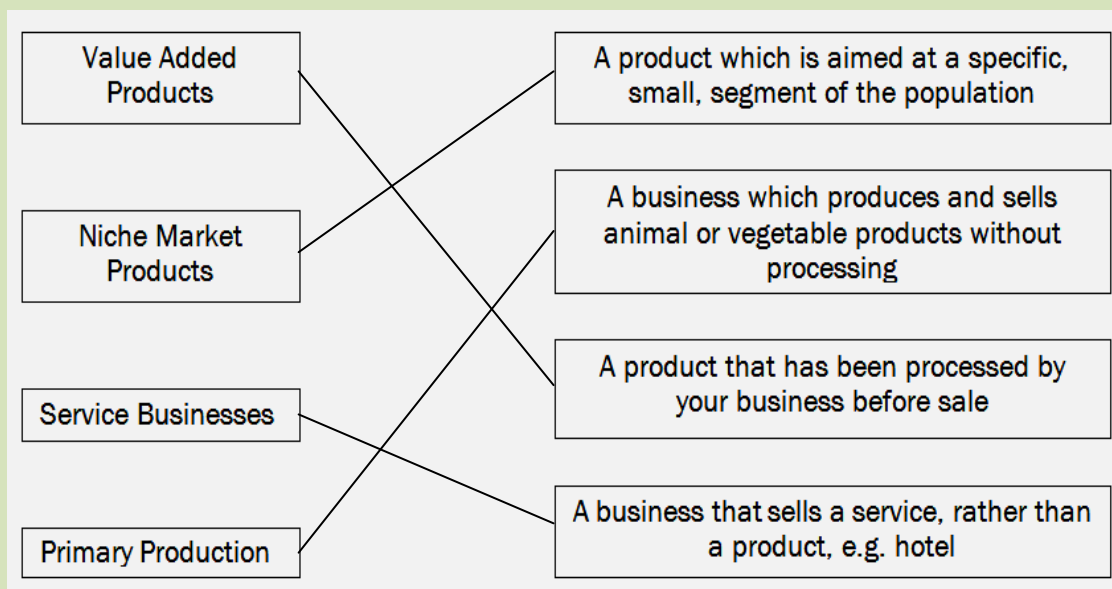
- All the challenges listed above can be helped by a school business

Who will benefit from the school business and why?

- The students involved in the school business because they will learn important business skills
- The other students because there will be improved teaching techniques
- The teachers because they will learn new teaching techniques and benefit on a more financially sustainable school
- **Bonus:** the families and communities of the students because the students might use their new skills to set up their own businesses upon graduating

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Match the terminology with their definitions:



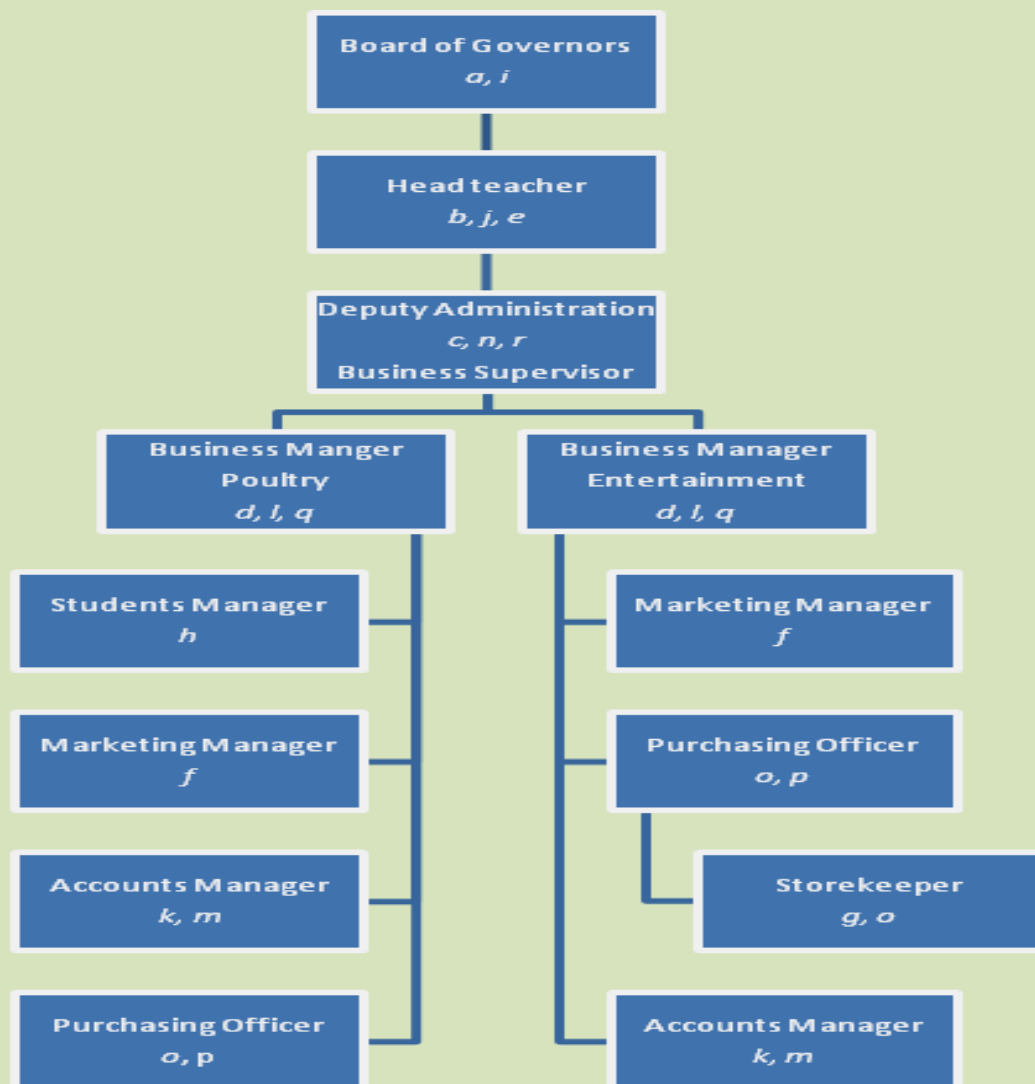
What questions should you include in a market research survey?

- Age, sex, profession of interviewee
- Do you currently use this service/ buy this product?
- What type & range of product do you buy?
- How often do you buy this product/service per week/month/year?
- When do you buy this products/service?
- What factors are important in your buying decision (E.g. price, quality etc.)
- Where do you currently buy from?
- How much do you pay (per item/ in total?)
- Are there areas where current supplier doesn't satisfy you?
- Would you consider buying from us?
- Other suggestions for service add-ons E.g. delivery, credit, etc

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Practice Exercise: Management Structure

The roles can be distributed in any number of ways. There is no correct answer, as long as the jobs are evenly distributed and everyone has a role. Each person can have more than one role and a role can be the responsibility of more than one person. Here is one example:



Problem Solving Exercise

1. E.g.
 - Hold an information workshop on why the school wants to start a business and what the benefits will be to them.
 - Offer staff (and students?) the opportunity to invest in the business themselves.
 - Involve staff and students in all aspects of the business planning so they see the value in their work and they know how the project is progressing.
 - Recognize the committed with rewards.
 - Regularly update staff and students of the profits that are being generated and how the money is being invested in the school.
 - Use the businesses as practical examples in lessons.
2. E.g.
 - Mobilize stakeholders to raise capital through community fundraisers, donations, lobbying for grants etc. This might include parents, teachers, community members etc.
 - Look into the terms and conditions of taking a loan.
 - Start small projects needing little start up capital that can gradually grow by reinvesting the profits.
 - Look carefully at what current resources you have that could be utilized in starting a business, in order to reduce the amount of start up capital required.
3. E.g.
 - Utilize the knowledge of staff and stakeholders when deciding on and planning your business.
 - Ask community experts to offer their advice and guidance for free in support of a valuable educational project.
 - Visit and research businesses doing the same production/sales activity, but try to visit businesses some distance away who aren't your direct competitors, since they will be more willing to share information.
 - Take your students on a school trip to visit successful examples of businesses, and use it as an opportunity to do some research into the technical aspects of running the business.
4. E.g.
 - Plan your business carefully to ensure there is a market for your product by performing market research and writing an effective marketing plan.
 - Undertake competitor analysis to check that there is a potential to offer a better service or product than those already supplying.
 - Try to tap into markets away from the area your school is located in, especially if it is the local community that is struggling to pay school fees, since it is unlikely their buying power will be high.
5. E.g.
 - Include student project work in the school timetable.
 - Use Rota systems for student work so students don't have to work every day.

- Reduce student's academic commitments in favor of project work that is likely to provide them with skills more useful to their environment.
- Utilise the businesses in the academic lessons as practical examples.
- Run business internships during the weekends and holidays so that students have the opportunity to gain more practical business skills outside of their school timetable.

6. E.g.

- Keep accurate records so you can always prove who owes you money.
- Don't give items on credit unless they are staff of the school whose debts can be retrieved from the salary.
- Explain how debts impact on the business cash flow and hinder its development.
- Sensitize the community to the reasons why the school is running a business and how the school can benefit from its impact if it is successful.

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How can your school involve girls and boys in your school business?...

- By ensuring that there are equal number of business management and operational tasks involved
- Therefore if the operational tasks are traditionally suited more to a particular gender (e.g. if it involves a lot of manual labour more boys may want to be involved or if it involves a lot of sewing or cooking more girls may want to be involved), then the other gender can get involved in the business management side
- Furthermore, it can be emphasised that the tasks are not 'gendered' and that boys and girls are welcome to get involved in tasks not traditionally suited to them

Which subjects could feature the business in their lessons?

E.g.

- Maths – the budgeting and accounts side of the business
- English – writing the business proposal/ an advert for the business
- Creative Art/ Design Technology – creating posters that advertise the business, or if the business involves textile production
- Agriculture/Science – if the business involves natural production
Music/ Drama – if the business involves performance

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Sales Book Record

3/1/12	TOTAL=	36142
3/2/12	TOTAL=	39157
3/3/12	TOTAL=	35157

Cash Book Records

Date	Description	Income	Expenditure	Total Balance
2/22/12	Opening Balance			85400
2/23/12	Purchase of lime		210	85190
2/23/12	Purchase of Plastic		216	84974
2/23/12	Purchase of curtains		240	84734
2/24/12	Purchase of paper		250	84484
2/25/12	Purchase of mixed feed		40000	44484
2/25/12	Purchase of sugar		225	44259
2/25/12	Purchase of chickens		20000	24259
2/26/12	Purchase of medicine		5000	19259
2/27/12	Purchase of vaccine		4000	15259
2/28/12	Purchase of distill water		200	15059
2/28/12	Purchase of saw dust		2400	12659
2/29/12	Income	5000		17659
3/1/12	Income	36142		53801
3/2/12	Income	39157		92958
3/3/12	Income	35157		128115

Appendix

UNCRC Article 32 (Child labour): The government should protect children from work that is dangerous or might harm their health or their education. While the Convention protects children from harmful and exploitative work, there is nothing in it that prohibits parents from expecting their children to help out at home in ways that are safe and appropriate to their age. If children help out in a family farm or business, the tasks they do be safe and suited to their level of development and comply with national labour laws. Children's work should not jeopardize any of their other rights, including the right to education, or the right to relaxation and play.

You can photocopy more business research tables by using these templates:

SWOT Analysis

<i>Business Idea:</i>			
	<i>Answer these questions and write the answer in the correct column:</i>	Strengths and Opportunities	Weaknesses and Threats
1	What facilities and equipment does your school already have and what do you need to buy?		
2	Does your school have access to enough money to buy these new assets? Give details.		
3	Do any staff members have relevant skills or experience? What skills is your school lacking?		
4	Are the students interested in this type of business?		
5	Can this business generate enough profit to contribute to your school running costs?		
6	Is this business easy to implement? Why?		
7	Do students and staff at your school have time to perform the daily operational tasks?		
8	Does the business provide USEFUL educational opportunities?		
9	External: Is there a local demand for this product or service? If yes, who and where?		
10	External: Who else is running a similar business and can you beat them?		

Market Research Survey Answer Sheet

Question	Person 1	Person 2	Person 3	Person 4
1.				
2.				
3.				
4.				
5.				
6.				
7.				
8.				
9.				
10.				
11.				
12.				

Competitor Analysis

	Question	Competitor 1	Competitor 2	Competitor 3
1	Where is the competitor located?			
2	What type of product /service do they sell?			
3	What are the competitor's prices?			
4	What are their operating hours?			
5	Who are their customers?			
6	What methods of marketing do they use?			
7	How much income/profit do they generate in a week?			
8	How are they trying to develop or expand?			
9	Do they have a good reputation locally?			
10	Do they offer any extra services?			
11	What are their strengths?			
12	What are their weaknesses?			
13	What is their Unique Selling Point (USP)?			
14	How can we beat this competitor?			

Ask an Expert

<i>Business Type:</i>	
Question	Answer
Take me through the production process, step by step from beginning to end.	
How do we do this well to ensure the business makes a profit?	
Is it easy to make a profit? Of what scale?	
What should we avoid?	
What are the costs involved? (list all items, costs, units and amounts needed)	
What equipment is needed?	
What are the risks in this business?	
Who are my main competitors?	
Where are they based?	
What are their strengths and weaknesses?	
Is there anything else I should know?	

Analysing your business research

Business Type: _____			
Market Research	1	Who is the market for this product or service?	
	2	How much do they currently pay?	
	3	Where are customers currently dissatisfied?	
	4	How can our school business improve what is already on offer?	
Competit or Analysis	5	Who are your competitors?	
	6	What can you learn from them?	
	7	How can you beat them?	
Ask an Expert	8	Is this business idea feasible for our school?	
	9	Is this business capable of generating over 170,000 AFA in profit every year?	
	10	Will this business provide valuable educational opportunities for the school students?	

Business

1. Investment Worksheet

Item	Unit Cost	Quantity	Total Cost	Depreciation Basis	Annual Depreciation
New Assets					
Total Cost New Assets					
Start Up Expenses					
Total Start Up Expenses					
Total New Assests and Start Up Expenses					

Business 2. PRODUCTION, PROFIT & LOSS														
	Unit	Annual Total	Month 1	Month 2	Month 3	Month 4	Month 5	Month 6	Month 7	Month 8	Month 9	Month 10	Month 11	Month 12
Production Calendar														
Sales Calendar														
	AFN													
	AFN													
	AFN													
Total Monthly Income														
Running Costs														
	AFN													
	AFN													
	AFN													
	AFN													
	AFN													

	AFN													
	AFN													
	AFN													
Total Running Costs	AFN													
Monthly Depreciation	AFN													
Monthly Net Profit	AFN													

Business													
3. CASH FLOW WORKSHEET													
	Total (annual)	Month 1	Month 2	Month 3	Month 4	Month 5	Month 6	Month 7	Month 8	Month 9	Month 10	Month 11	Month 12
Incoming cash													
Monthly Income													
Investment/Donations													
Total Cash In													
Outgoing Cash													
New Assets													
Start Up Expenses													
Running Costs													
Total Cash Out													
Total Cash Flow (In - Out =)													
Ongoing cash balance													

End of appendix