



JMF WORLD SERVICES LIMITED
BUSINESS PLAN

EXECUTIVE SUMMARY

This business plan covers five years and provides detailed explanations of actions proposed to accomplish the primary functions of the JMF World Services Limited to fulfill its customers' needs. In preparing this business plan, the Board considered the strategic directions of the company products and has determined that the Company business plan provides an overview of the company and identifies the strategic issues and goals set out for the next five years. Therefore, the Board is accountable for the preparation of this plan and for the achievement of the specific issues and goals contained therein.

The business plan is an integral part of the management and oversight of the industry's field of business expansion as it establishes the company's goals and objectives for the proposed expansion. The plan forecasts market demand, competition and economic conditions variations.

There are four important benefits of having a formal business plan. First, it will be an essential part of any request for financing and improves the chances of getting desired funding. Second, it can serve as a guide for policies and actions for a firm over a number of years. Strategies and statements are well thought-out, unambiguous and achievable. Third, the process of preparing the plan will enable, if not force, Directors and managers to focus on issues that are essential for the future success of the company. Fourth, the plan will identify the role of the company in environmental conservation and sustainable use of resources.

The task, therefore, is to focus on the key cooperative principle: Shareholders own and control company. To achieve its goals, the Company will strengthen capacity as the company need to be commercially viable enterprises, able to survive and prosper in the market place.

INTRODUCTION

The, JMF World Service Limited has six Board members which they established goals and a strategy for the coming five years. The board members considered short-term actions needed to prepare the company to meet its long-term objectives and assessed long-term impacts of short-term plans. In

addition, because a company's main business is production and sale of pipes, the plan must provide a basis for marketing strategy, financial strategy and a control device against which to compare actual progress. Findings from an internal review formed the basis for the plan objectives and portrayed the Company's strengths and weaknesses.

The board members' participation in setting and implementing the strategies indicates that they are responsible for accomplishing them and will use measurable parameters to monitor performance. This approach helps the company attain a higher level of preparedness in the face of external challenges. This helps to increase levels of operational efficiency that will result in better product to its customers.

This business plan was established using a participatory process that involved executives, Board members, supervisory committee members.

Initially, an internal scan helped to assess the adequacy and completeness of systems and procedures; to identify the operational challenges facing the JMF; to give recommendations; and to establish the company's financial position. The internal scan reviewed all operational areas including performance management and accounting, governance and administration and production.

BACKGROUND

JMF World Services Limited is a company limited registered in Tanzania under Companies Act 2002 with registration number 138235459 in the year 2018 and being issued with a TIN certificate by Tanzania Revenue Authority on 30th November 2018. The company is located at Mabibo- Dar Es Salaam. Her mission is to deal with production and supplying of plastic pipes in Tanzania.

It is an established business undertaking that has operated in Tanzania for three years involving the production and supplying of plastic pipes in different parts of a country.

Since inception, the business has continuously accumulated expertise and goodwill in the business environment of Tanzania. The experience of its management and commitment of its owners has geared its growth from one step to another.

The unique competitive advantage possessed by this business is a strong

relationship it has established with various suppliers and dealers from other related businesses. This makes it able to produce high-quality products throughout the year.

Upon registration, the business was properly licensed with all authorities in the country.

JMF World Services Limited has operated the business for all the years with proper conduct within the legal framework and business regulations. This has led to government support and good word of mouth from society and a good record with the trade authorities in the country.

BUSINESS DESCRIPTION

Customers of the JMF are residents from different regions in Tanzania and other near countries

Products: Selling Water pipes:

The business is involved in production and selling water plastic pipes. JMF World Services Limited has developed business relations with other dealers in the country. Products are of high quality and available throughout the year. The products themselves offer a considerable opportunity to deliver the positioning existing and potential customers are expected to benefit due to its accessibility, availability accompanied with high quality at affordable prices.

VISION, MISSION AND OBJECTIVES

In developing its mission statement, the JMF considered the economic, financial and technological trends in the company system nationally and regionally and the manufacturing industry as a whole. The Company identified its internal strengths and challenges and external opportunities and challenges. Finally, the JMF identified those areas that it could reasonably influence:

Vision

Our long-term vision is to become a Company that is competitive, viable and sustainable with capacity for fulfilling customers' economic needs.

Mission

To be a strong, company providing best products while increasing the job opportunities to the communities in poverty alleviation efforts.

Company's Objectives

JMF World Services Limited is committed to being a sound, progressive and growing company by providing the customers with high quality products while maintaining environment.

- To attract new customers, 10 percent per year.
- To provide financial products and services that meet member needs to compete effectively in the marketplace.
- To manage effectively the resources of the company, to maximize production while reduce the wastage of resources.
- To maintain a company structure that upholds its vision with integrity and good leadership.
- To advocate for good governance practices and abiding by the company principles, laws and regulations for our company's growth

SOURCE OF CAPITAL

Total capital for JMF World Services Limited is 140,000\$ in which 81,000\$ from share issues and 59,000\$ is from loan

LOCATION

The Business is located at Kinondoni (Mabibo) in Dar Es Salaam City. It is a prime area in the city which is busy for business purposes. The location has been very appropriate due to its activeness and flow of people.

MARKETING

➤ Selling Points

We supply our highly quality plastic pipes to individuals, companies, organizations and cooperates who directly using or supplying plastic pipes

➤ Knowing and Understanding customers

For the purpose of knowing and understanding our customers, we do the following: -

- Surveying our customers to hear their thoughts and complains
- Preparing chatting forums in social networks where customers are free to comment and request for explanations.
- We plan to commence the program of holding events like forums every three months to meet with our potential customers.

- In order to sell more products, we need to retain the old customers and attract new customers as many as possible. In so doing, we use the following strategies: -
- Trade discounts and Cash discounts are offered to new customers and old customers respectively.
- Marketing surveys to attain new clients
- We emphasize on good customer care in order to please our old customers whose we believe will spread our good name to others people, we reach our regular customers with SMS, emails, faxes and phone calls.

➤ **The Supplies**

Suppliers are well established dealers in Tanzania who have been supplying the business with inputs. For all this time the business has maintained favorable business ties with these suppliers such that the management is optimistic the relationship will continue. The supplying companies are well established that assessment reveals that they are expected to stay in the market for at least the foreseeable Future. The main suppliers are manufacturers and agents in Tanzania.

The business buys inputs in bulk quantities to enable it to enjoy cost advantages thus a lower cost per unit about competitors. Purchases are done in cash and credit.

➤ **Competition**

The business faces reasonable competition from dealers of different capacities in the country as a result of trade liberalization. Various dealers have engaged in the production and supplying of plastic pipes and are mostly located in Dar Es Salaam.

Due to the long stay in the business, the good word of mouth and the super quality products with appropriate mix offered enables the business to maintain a favorable market share.

Competitive edge is the positioning strategically with customers. This is by building a business based on long-standing relationships with satisfied customers simultaneously building defenses against the competition. The longer the relationship stands, the more it helps its customers understand what the business offers them and why they need it.

Above all the mentioned factors, the business has a competitive pricing position as it obtains merchandise at competitive prices from the suppliers.

Besides, the competitive advantage of this business is the strategic location of

the business, customer loyalty, competent experienced motivated staff, and the speed.

➤ Costing and Pricing

The pricing of a business product is important because it will have a direct effect on the success of any business. Though pricing strategy and computations can be complex, the basic rules of pricing are straightforward: All prices must cover costs.

- The best and most effective way for JMF World Services Limited is lowering costs to lower the price to be affordable to the potential customers and compete in the market
- Prices must reflect the dynamics of cost, demand, changes in the market and response to competitors.
- JMF World Services Limited prices are established to assure continued sales and growth. The business bases on a cost-plus approach in estimating prices for its products.
- Product utility, longevity, maintenance, and end-use must be judged continually, and target prices adjusted accordingly.

Also, the price is set to preserve order in the marketplace recognizing the market leadership role of the business.

The method of establishing price is Cost-plus pricing, which assures that all costs, both fixed and variable, are covered and the desired profit percentage is attained

MANAGEMENT PLAN

➤ **Business Profile**

JMF World Services Limited is a fast-growing undertaking that has been steadily establishing itself in the market.

Its commitment to the customers and consistent quality performance has taken the business's name deep into the Tanzanian market and has continuously been expanding its share.

The management has been keen to keep up with the right strategies to be able to serve the market with what customers need and a good word of mouth has circulated from one satisfied customer to another. The business is determined to expand and acquire long term sustainable growth.

Recruitment and selection of people have been constantly made in a way to ensure that only competent personnel who can carry out the business's mission is retained in the office.

➤ **Management and key personnel**

The business is under the serious direction and control of its owners. This is the general overseer of all business activities on day-to-day basis.

➤ **Support Personnel**

Besides the directors, the business has been pegged on the services of the other four employees who, in their respective positions keep the business growing from one stage to another.

The company has been keen to maintain calm relationships with the employees by keeping a friendly environment for them to work and constantly responding to their needs. Up to this date, the relationship between employees and the management has been good in a situation that encourages total commitment to the business's goal.

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FINANCIAL PLAN

➤ Introduction

This section covers various aspects of the business's plans on financial performance. It gives a summary of the owner's assumptions and the projected cash flows and other financial matters.

➤ Sources of Funds

The major source of funds for JMF World Services Limited is cash sales of goods to customers in wholesale. This will continue to be the main source for the coming year with sales being boosted by the contribution from different loans applied by a company.

It is estimated that the business will be able to make sales of about 27 % above the sales for 2022.

➤ Finance Required

The finance being requested is for financing a major expansion of the business by increasing the business operation and volume of Output for resale. The business expects to benefit from the economies of scale by buying in bulk and consequently reduce operating costs like transporting cost. Consider the following table which show financial projection for five years

TABLE 1. Financial projection for five years.

JMF WORLD SERVICES LIMITED					
Particulars	Year 1	Year 2	Year 3	Year 4	Year 5
Revenue	456,765,000.00	525,279,750.00	604,071,712.50	694,682,459.38	798,884,839.78
Cost of sales	182,706,000.00	210,111,900.00	241,628,685.00	277,872,987.75	319,553,935.91
Gross profit	274,059,000.00	315,167,850.00	362,443,027.50	416,809,481.63	479,330,903.87
expenses					
direct expenses	41,765,000.00	44,688,550.00	47,816,748.50	51,163,920.90	54,745,395.36
management expenses and administration expenses	74,762,000.00	77,004,860.00	79,315,005.80	81,694,455.97	84,145,289.65
finance expenses	5,762,000.00	6,165,340.00	6,596,913.80	7,058,697.77	7,552,806.61
total expenses	122,289,000.00	127,858,750.00	133,728,668.10	139,917,074.64	146,443,491.62
Profit before tax	151,770,000.00	187,309,100.00	228,714,359.40	276,892,406.99	332,887,412.25
Less tax (30%)	45,531,000.00	56,192,730.00	68,614,307.82	83,067,722.10	99,866,223.67
profit after tax	106,239,000.00	131,116,370.00	160,100,051.58	193,824,684.89	233,021,188.57

➤ Capital Expenditure.

Table 2. JMF World Services Limited Capital Expenditure

INVESTMENT FUNDS EXPENDITURE BREACK DOWN			
S/N	Expenditure		Cost
			100,000,000.00
1	Machines 1		150,000,000.00
2	Machines 2		20,000,000.00
3	Machine Installation		10,000,000.00
4	Building		2,700,000.00
5	Computers		4,500,000.00
6	Furnitures		31,000,000.00
7	Reserve		
	Total		318,200,000.00

VALUES AND GOALS

➤ Values

The JMF World Services Limited values include integrity (truthful, accountable), respect (equality, dignity), excellence (highest standards) and flexibility (interactive)

➤ Company's Ethics

The company in its operations will adhere to the following ethics:

➤ **Customer Driven**

We are fundamentally committed to serving our customers, who are our foundation, by selling the highest standard products, always placing members first.

We recognize the importance of listening closely to our customers to better understanding their unique requirements, anticipating their needs and providing creative solutions.

➤ **Cooperation**

We seek opportunities to allow members to contribute to the Society.

We honor each person's ability to create and contribute toward the goal of delivering quality member services and innovative products, individually or as part of a team, through open communication and mutual trust.

➤ **Innovation**

We support the courage, creativity and discipline needed to lead change and bring value to the shareholders and the company.

We encourage creative thinking and continuous improvement because we must be better than our competition every day in order to attract and retain our customers and employees.

➤ **Education**

We encourage continuing education and training for Volunteers, and employees, recognizing that knowledge build confidence and enables innovative thinking and wise financial decisions.

IMPLEMENTATION

The implementation plan must form an integral part of the business plan. The board and executives must have a clear idea of the practical impact of the business ideas.

Suggested Steps

❖ **Establishing the business objectives**

Defining and assigning the tasks needed to attain the objectives set

❖ **Setting out a timescale**

❖ **Monitoring activities and progress**

Objectives

The objectives must be set out clearly and briefly, with the planning of key stages and realistic, challenging but achievable goals.

➤ Tasks

Individual tasks must be simple and clearly stated, and not be oppressive. The results predicted should outweigh the time and effort devoted to the tasks.

➤ Timescale

Each task should have a clear timeframe, and the result should clearly display the activities, and deadlines, necessary to perform that task.

➤ Policy Amendments

This policy is subject to change by the board members under the approval of a general meeting in whole or in part, from time to time when considered necessary in the interest of the company's growth.

➤ Monitoring Activity and Progress

The monitoring process will highlight and rectify deficiencies. Monitoring plans will be developed for product planning, marketing, financial issues and human resource management.

CONCLUSION

Over the past two years, the JMF World Services Limited has made remarkable progress towards its long-term goals. It will continue to build a strong and more competitive products to its customers.