

Example of objectives business plan

Business, Company



BUSINESS PLAN

Executive Summary

Business Profile

KleenIt is a business enterprise that will be established to provide cleaning services to residential houses and small and medium size commercial premises. The business will be comprised of 15 stakeholders. Out of the total 15 stakeholders, three are the company's founders, who will take the role of management and the rest will be employees who will do the actual cleaning services. There will be one store manager and twelve cleaning experts. All the employees of KleenIt are local residents and have been employed in the cleaning industry for a minimum period of three years. The staff has acquired cleaning skills in different settings including; clinics, medium size shops, residential houses and garages, small and medium size offices, and some schools within Australia. In addition to the working experience, they will receive education regarding best practices in the cleaning field, and get training in handling new cleaning equipment, for outstanding cleaning results and time maximization. KleenIt will seek to satisfy customers by thorough cleaning of carpets, floors, walls, kitchen, windows and blinds.

The main objectives that KleenIt business prospects to achieve in the initial five years are as follows;

- Establishing a service delivery enterprise that will seek to exceeding meet the customer's expectations. This will be achieved through thorough cleaning service for all the customers by our dedicated staff.
- Progressively increasing the number of customers by 25% in every year by

use of excellent customer relations and delivery of superior service.

- Making maximum utilization of the cleaning service on regular basis by maintaining a personal contact with the customers.
- Growing the business to a full-fledged company that will offer cleaning services to not only the small and medium-size premises and residential houses, but also the large scale businesses.

Mission of KleenIt Enterprise

Our mission is to present our customers with cleaning services that are environmentally sound, completely trustworthy, and professionally delivered. The business will thrive to acquire and maintain customers. Sticking to this maxim will provide a bright future for the growth and development of the business. The service delivery process will be scrutinized, and re-evaluated to exceed our customers' expectations.

External Analysis

Cleaning Industry Analysis

The cleaning business has been growing in Australia, and is predicted to continue growing in the future. This can be attributed to the several companies that are opting to outsource cleaning services. The new trend is as a result of the company wanting to give maximum concentration in its area of specialization. Furthermore, outsourcing cleaning services reduces the costs of operations that are involved in maintaining a cleaning department. Some of the establishing companies also outsource the cleaning services before they create the cleaning department. However, most of them opt to continue with the outsourced cleaning plan owing to the optimal

satisfaction they attain. Australia is listed as one of the greatest country possessing opportunities for developing small and average enterprise. The reason behind successful business start-ups is mainly the favorable terms of doing business. To establish a business in Australia the procedure is simple as one has to only fill some tax and registration forms. This procedures have been streamlined and smoothened to encourage those willing to start businesses.

Competition Analysis

Across Australia, there are a number of companies that offer cleaning services. A majority of the companies, however, have specialized in cleaning particular elements of the apartments such as windows or carpets. The other portion of competitors target large corporations. Some of the companies include; Quick Link Cleaning, Megashine Window Cleaner Melbourne, Shining Knight Cleaning and Graffiti Busters. The target location where the KleenIt business is to be established does not have a very stiff competition since the companies offering the services do not seem to carry out rigorous marketing. KleenIt will exploit this gap by engaging in advertising campaign and offering promotions to gain a sufficient portion of the market. In the next five years, the business will seek to keep educating the staff on the emerging trends to keep up with the suitable standards that will consequently lead to acquisition of more customers.

In order to gain a better competitive edge over its competitors, KleenIt will offer the services at a slightly lower price for those paying weekly and favorable terms of payment for customers who choose to pay on a monthly basis. The business shall offer cleaning plans payable on either daily, weekly,

monthly or four-monthly basis. This type of plans will enable the company to cut the cost of cleaning service, while still make significant profits.

Size of the market

The major market portion that KleenIt is targeting includes offices and residential houses within a 20 mile radius of its locality. The business intends to offer weekly cleaning services to 20 businesses premises with a maximum of 40 staff. In addition, it will target 30 residential houses requiring regular cleaning on a daily basis.

Prospected growth rates

KleenIt is set to grow at a rate of 15% for the first year. It will then seek to attain and maintain a rate of 30% for next five years. Studies show that about 60% the local residents are seeking home cleaners so they can optimize their time with the family or in their businesses. There are also high prospects for opportunities in the local businesses pertaining to cleaning work, with over 80% outsourcing the cleaning services.

Distribution Channels

KleenIt is a service delivery business and it will utilize the producer-customer distribution channel in the process of distributing the services.

External Market Analysis

The domestic cleaning market in Australia is set to grow in the next ten years. The larger portion of this market is expected to be composed of the young professionals whose most of their time is spent building their career, the couples with young children and the elderly people who are affluent. For

the young professions the service will entail cleaning of the floors, windows, kitchen and walls of their apartments. Cleaning services offered to the young couples will be a bit more intensive and will include dry-cleaning and ironing services for the children's clothes. Services extended to the elder affluent market will also include pruning of hedges and attending to the small flower gardens around the house, in conjunction with cleaning the house and compound.

In the start of the business we shall conduct a door-to-door campaign to capturer customers. For every household that offers KleenIt the opportunity to offer cleaning services, it will receive a discount of one free cleaning services after every seven consecutive cleaning packages. After the first two weeks of operation, the business utilize the print advertisement, mainly the local paper and bill boards. In cleaning houses our staff will be proportionately assigned in accordance to the size of the house. For instance, in a house with two rooms, at team of three people will be designate to offer the cleaning service. However, the cleaning assignment procedure will remain flexible and will vary depending on time.

Internal Analysis

Management Structure

The management team will be composed of three people, the founders of the business. One of will be designated the role of the chairman. The tasks designated for this individual will include; devising methods of promoting the business to create a strong brand image, overseeing the assignments of cleaning services to the team of twelve staff, representing the business in forums that will help in promoting the it, receiving the cleaning service

requests, and mentoring the workers as well as advising them on various issues as they may arise.

The second individual will be designated the role of handling finances. The duties to be handled include; receiving payments for the services on behalf of the business, managing the financial documents, providing finance for purchasing of cleaning supplies, organizing the salaries for the stakeholders of the business, providing financial reports of the business, and gathering relevant financial information that will be utilized to help the business grow. The third individual will be designated the role of the supervisor. This individual will be responsible for the tasks of ensuring that all the cleaning services delivered to the clients are satisfactory. The supervisor will also be given a duty to look into the welfare of all the stakeholders. The three individuals will work as a team to ensure a smooth running of all the operations within the business.

Financial Analysis

The startup expenses for the business are estimated at 30, 000 AUD. This amount will be spent in the purchase of cleaning equipment and supplies, paying for the business license, and subscription for insurance. KleanIt billing is projected at 120, 000 AUD in every quarter of the first year for operations. This will be the cost of operation for every four months. The funding will come from the equal personal contribution by the three founders, repayable by the end of one and a half years of doing business. In future, any expansions of the budget will require the business to acquire a loan from the financial institution. In the meantime, the available funds are sufficient to run the business in its planned scale effectively. All the profits made will be

proportionately shared after 50% of it is deducted to be injected into the business. Future expenses would be on advertisement, hiring of more employees, acquisition of additional equipment and supplies, purchasing of business vehicles and acquiring a larger office space and store. The net profits are forecast at 30% during the first year of doing business. For the next five years, the profit is forecast to rise to by a 25% to reach 55%.

Operations Plan

For smooth business operations, the company will need to purchase floor scrubbers, sweeping machines, air duct cleaning equipment, vacuum cleaners, hose pipes, protective gear, buckets and brushes. In addition, the business will need to establish a regular supplier who will be supplying detergents and air conditioners. Every team of cleaners who get assigned to provide cleaning services will have to carry the supplies and equipment to their destination of work using the available trollies, for short distance and the van for those working at a longer distance from the KleenIt business base.

Strategy Summary and Implementation

Strategic Issues

As the business grows there will be a need to invest in advertisements so as to increase the popularity of the business beyond the locality of its establishment. The business will place its advertisements in the daily paper, on radio and Television. The business will also seek to get involved in the local events as a sponsor and partner with other companies. This strategy will allow the company to gain popularity especially within the local

community and beyond. After increased popularity, there are possibilities of netting more customers and hence, high return on investments. The business will seek to acquire loans from financial institution after the third year of operation. This strategy will enable the business to increase the amount of cleaning service delivered to a larger customer base.

KleenIt will hire more workers at a relatively higher pay than the competitors to improve motivation as they work. The business will also get involved in paying up to 15% of their insurance as a way of improving their contribution to the business. A ranking based on customer satisfaction will be conducted, and the employee who emerges the best will have to be rewarded. This will bring in competition towards making great achievements and, hence, maintain the initiated high quality cleaning services. The business will get involved in charitable work as a way of giving back to the community. This will pertain offering free cleaning service quarterly to the local hospital and community schools.

In order to accommodate the different financial classes, the company will design payment options in terms of installments to suit the interested clients, and who cannot afford to pay in bulk. This will enable the business to grow a large market, and consequently, higher revenue in the long run.

Strategic Alternatives

After a considerable time in operations, the business will consider venturing in online marketing. The modern generation has embraced online services with a higher appreciation. Going online will enable the business to expand further, and acquire a higher number of customers. As part of embracing technology, the business will contract an IT professional to create an

interactive website. Having the website in place will be a step forward in growing the business. The website would facilitate feedback from customers as well as assist in placement of cleaning services enquiries.

The company will also purchase more vans, which workers will be using to commute around Australia. This will solve the problem of distance.

Additionally, the company will open up more branches throughout Australia to offer the super cleaning services that the business will have established.

Following five years of successful business operations, KleenIt will endeavor to open up a cleaning training school within Australia. This will enable the company to maintain the quality of services by prioritizing job offers to the students from its school. The school would also count as a source of revenue, and hence KleenIt would succeed in diversifying its source of revenue.

The Exit Strategy

The demand for cleaning services is growing owing to the increase in number of young couples who are working for long hours to sustain their income, leaving little time for carrying out the cleaning chores. Additionally, business enterprises are finding it cheaper to outsource cleaning services as opposed to maintaining a cleaning department.

After the startup and running of the business for over a period of five years, the company will have acquired the necessary expertise to expand nationally and internationally. However, the predicted growth will only be realized if the business will have succeeded in acquiring more than 40% of the total clients in the Australian market. Furthermore, the business has to be continually making significant increase in profits. Attaining a net profit of 65% will be a good sign that the business will have sustainable capital base, and thus

prove viability of the opportunity. This is tied to the conditions that the business will have been able to lower the payment for cleaning service, and also offer higher terms of payment for the employees.

References

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