

# Skilling

learn . earn

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## Executive Summary

Skilling is a private skill tutoring and talent acquisition accelerator that makes it possible for young people to learn the most in-demand global skills. We simply do this by connecting learners to professional skill tutors through a peer-to-peer learning network. We make it cheaper and faster for startups and companies to hire the best talents to help them scale up their businesses by providing access to our database of certified young professionals.

Basically we link those who want to learn any type of digital or vocational skills to our ever growing database of people that can teach those skills in Ibadan. What we offer our client is the feature to learn at their convenience, with cheaper budget and very flexible training sessions. Skilling is a startup at the market entry stage taking advantage of the current huge unemployment, underemployment and "unemployability" gap amongst the Nigerian youths as a result of lack of relevant skills. The startup is the sole idea of its founder Oredola Ibrahim a multiple award winning student leader and entrepreneur with more than 6 years' experience in business innovation, branding and management. With great support from the University of Ibadan Student Community, Delta State Innovation Hub, Asaba, LYFE Entrepreneurship, Lagos, LEXY Business Fellowship, Sapele, Nigeria's Bank of Industry and Tony Elumelu Foundation, the brand is committed to addressing skill competence as a major factor to solve the nation's employment crisis.

Nigeria is greatly bedeviled with education problems and employment crisis. With a population of 182.2 million (and estimated by the United Nations to be over 300 million by 2050), over half of Nigeria's population is between the ages of 15 and 34 years and this 'youth bulge' is seeing around 1.8 million young people entering the job market every year (according to a market report by Nigeria's Punch Newspaper), placing increasing pressure on an already tight job market. A 2017 report recently published by Nigeria's National Bureau of Statistics states that 45.61 million young people are either unemployed or underemployed, out of this 80% have been widely reported and believed to be unemployable as they lack the requisite skills. Our solution democratizes the process of skill acquisition and training by equipping young people with relevant digital and vocational skills to ensure their survival in the labour market.

Skilling belongs to the educational and training services industry where the market is large and growing with multiple types of opportunities available for new entrants. According to a report by Worlds of Education, GSV-Advisors calculated that the value of this industry, globally speaking, was \$4.9 (USD) trillion in 2015, and that venture capital investment in education companies reached nearly \$2 billion in 2014 (after growing at a 45% rate over the past five years). Specifically, the global tutoring market as a segment is forecasted to reach \$103 billion by 2018, according to Global Industry Analysts. Market growth is being fuelled by the demand to acquire practical and relevant skills for survival in the labour market. Across the African continent, government-sponsored schools and training institutions face the same difficulties – poor funding, low quality, rapidly falling standards and general system failure. Because of these, the industry keeps being attractive for private players.

Our addressable market centers around our locations Ibadan North Population with an estimated population of 306,795, and Asaba, with an estimated population of 149,603; Male & Female with age range 15 - 40. We estimate 20%

( $61,359 + 29,920.6 = 91,279.6$ ) of the total population with the potential to <sup>learn . earn</sup> pay for any of our trainings averagely priced at N20,000. Of this segment, 20% will patronise us more than once leaving us with an annual estimated market opportunity worth more than N91million. And according to our market research, an average vocational training outfit can make between 30-50% gross profits with lesser cost ratio.

SKILLING as a startup faces some level of competition from existing outfits like NIIT, HIIT, Aptech, local training centres, Local computer training centres, Local Vocational Centres, NYSC SAED programme, National Directorate of Employment Vocational Centres, formal tertiary institutions as well as free and paid online learning platforms. Our overall competitive advantage is a combination of our various strengths and advantages; First Mover Advantage, Cheaper Trainings, Flexible Training Delivery, Customized Programmes and Speedy Delivery. Our services include both vocational and digital training deployed through personal skill tutoring, group and online training programmes. 60% of our marketing effort will focus on physical marketing channels including one on one marketing, word of mouth, customer referrals, and more while others will include aggressive online campaigns, print and media. Our team consists of responsible and self-motivated individuals who are passionate about learning and care about other's personal development. Our youthful and enthusiastic team will help create a sense of quality and speedy learning experience to our tutors and a modern youth culture of working environment for our tutors. Business profitability will be impacted by exceeding projected trainings figures.

Our initial operating capital of N3,646,151 and overall business financing come from a combination of financing options to include founders Equity of N729,230, TEEP grant award of \$5,000 and further equity injection of N1,349,075 from family and friends . The brand is projected to have a sales revenue of N37,940,000 and estimated operating expense of N11,276,200 and a net income of N18,360,000 in its first year. We estimate our sales growth at 33% annually for the first 3 years, while expenses is expected to grow at an 86% rate by the 3rd year. We also project that Net income will grow by 30.7% in our first year, 67.9% in the second year and 27.6% in the third year.

## 1. Introduction

### Company Overview

**Skilling** is a private skill tutoring platform. Basically we link those who want to learn any type of digital or vocational skills to our ever growing database of people that can teach those skills. What we offer is the feature to learn at your convenience, with cheaper budget and very flexible training sessions. In addition, we are also helping employed individuals attain their quest for personal development without conflicting with their already compact lifestyles. Our trainings are being driven by a well-populated and growing database of professionals of various skills. These professionals range from students, graduates, artisans to gainfully employed individuals who train others in private arrangement for extra income and passion.

Before joining our database, these tutors must have gone through a thorough accreditation and verification process certifying their competence in the skills they are teaching. They are then linked with learners requesting for their service in private tutoring. We cater for the training logistics in terms of curriculum, finances and resolution of disputes; and after completing a competence test, we certify them after the training.

Our great understanding of the market revealed to us that despite the huge market gap, traditional training institutions have not been able to meet the needs because of excess rigidity and excess formalities. By decentralizing the market, we make it easier for people to learn digital skills and other basic vocational skills necessary for daily business and personal survival.

Skilling is a startup at the market entry stage taking advantage of the current huge unemployment, underemployment and “unemployability” gap amongst the Nigerian youths as a result of lack of relevant skills. The startup is the sole idea of its founder Oredola Ibrahim a multiple award winning student leader and entrepreneur with more than 6 years’ experience in business innovation, branding and management. And he has worked extensively with many brands in Oyo and Delta States like the Delta State Innovation Hub, LYFE Camp, Centre for Entrepreneurship and Innovation, University of Ibadan, HueNation Media and so on. As a sole proprietorship, the brand plans to retain that status for one year so as to quicken its growth and development before full incorporation.

### Problem Statement and Solution

Nigeria is greatly bedevilled with education problems and employment crisis. With a population of 182.2 million (and estimated by the United Nations to be over 300 million by 2050), over half of Nigeria's population is between

the ages of 15 and 34 years and this 'youth bulge' is seeing around <sup>learn . earn</sup> 1.8 million young people entering the job market every year (according to a market report by Nigeria's Punch Newspaper), placing increasing pressure on an already tight job market. A 2017 report recently published by Nigeria's National Bureau of Statistics states that 45.61 million young people are either unemployed or underemployed, out of this 80% have been widely reported and believed to be unemployable as they lack the requisite skills. Our solution democratizes the process of skill acquisition and training by equipping young people with relevant digital and vocational skills to ensure their survival in the labour market. We make acquiring skills fun by linking private tutors to learners at cheap budget, in their convenient location and with flexible timing for busy workers. At **Skilling**, we address skill competence as one of the factors responsible for employment crisis.

## Vision

To be the foremost private skill tutoring company in Nigeria.

## Mission

We address skill competence as a major factor to solve the nation's employment crisis.

## Company Goals

- Establish presence in two out of the three cities where we carried out our pilot – Asaba and Ibadan (Ibadan North LG).
- Amass a database strength of over 1500 tutors and partner institutions proficient in not less than 100 different digital and vocational skillsets across these two cities within the first year of our operation.
- Link more than 200 individual learners to tutors in private skill tutoring arrangement and organise more than 100 paid group online and physical trainings involving over 3,500 trainees in our first year.
- Expand the operations of the Kopa Konnect empowerment workshop programme for Corpers from Asaba to Ibadan.
- Maintain a gross margin of 70% to 76% and a net profit margin of about 40% in first year of operation.
- To expand our operations to other 5 major cities in Nigeria and be the most preferred brand in private skill tutoring in Nigeria by the end of our 3<sup>rd</sup> year.

## The Value Proposition

Our core values are built on convenience, quality and speed. We democratize the process of skill acquisition by mostly employing peer-to-peer tutors who are professionally competent yet affordable to deliver both private and group skill tutoring. By decentralizing the process, we make it easier, cheaper and faster for people to learn digital skills and other basic vocational skills necessary for daily business and personal survival. Our value propositions include:

**Flexible Learning Environment**

Learners have a long list of choices when it comes to the learn . earn location of learning. According to our research, we discover that location of learning is one of the barriers militating against skill acquisition. As a matter of fact, more than 60% of respondents in a survey we put up complained about inaccessible location being one of the factors responsible for lack of acquiring a vocational or digital skills at a point in time. But with SkillNG, we address this challenge as learners can now choose to go meet tutors, or have tutors come to them. They can also agree to meet in a neutral location or meet at any of our facilities or partner facilities to carry out the training.

## **Cheaper Training Cost**

Because most of our tutors are engaged on a part time basis and because of the less formal environment of learning, they charge far lesser than formal institutions of skill acquisitions. And for group trainings, we leverage on the quantity of trainees to spread the cost of training and reduce it to the barest minimum.

## **Faster Learning Duration**

Because we are disentangled from the unnecessary formalities, we ensure that trainings are completed in the shortest possible time. For individual training, learners now have the opportunity to move at their own pace without being held back by the assimilation level of fellow trainees.

## **Highly Customized Delivery**

We have a highly customized delivery for our trainings. Trainees only learn what they want to learn. We make sure our training programmes are functional and result oriented. For instance, if a trainee wants to learn just MS Excel so it can be of use at his or her office place, we don't go ahead and teach them the whole MS packages. Trainers have the freedom to determine and pick what they want to learn.

## **We Contribute Massively to Solving Employment Crisis**

Since we address skill competence as a major factor responsible for employment crisis, our most important unique proposition is that we create employment in many ways. By delivering highly customized and function-oriented trainings, people are able to acquire skills that makes them relevant and employable in the labour market. And those not in private employment can acquire skills necessary to help them start their own businesses. Also, in part, we create employment for the tutors we engage to train our learners.

## 2. The Product/Service:

It is evident that the educational system operated at post-independence placed so much importance on academic excellence rather than acquisition of vocational skills which prepare the individual for a more useful and fulfilling life within the society. In other words, the system focused on and put emphasis on subjects in the humanities or arts at the expense of vocational which can facilitate practical skills acquisition that is generally believed to be more relevant to the development of the nation. The system for so many years was carried on entirely like that without any conscious or deliberate effort to adapt it to the cultural, social and ethical values of our society. It is now a well-known fact that the system failed to achieve the desired objectives that were expected from the education of this country. This is the situation that to drive down the country's rising youth unemployment figures, Pearson, the world's largest education company, says it is imperative for the country to pay greater attention to the issue of skills acquisition amongst Nigerian youths.

Skilling takes advantage of this huge market need, the abundance of youths without skills and the presence of very few and largely unorganised players to sell the following products:

### Vocational Skill Acquisition

According to the Enaction School, as a specific form of learning and in this context, vocational skills are empirical skills that individuals acquire in a specific area of interest. Vocational skills are more practical than theoretical skills. Individuals learn vocational skills from hands-on experience. When it comes to vocational skills, people are practically trained in skills like Fashion Design, Soap Making, Catering, Hair Dressing, Beads Making, Hats Making, Painting, Tailoring, Cooking, Interlocking Spurs and so on. On the average, training a learner in a vocational skill costs between N20,000 – N70,000 (\$60 - \$100) depending on the skill. To demonstrate the high demands for these kind of training, our research reveals that not less than 80 different vocational skill acquisition trainings happen in our domiciled local government (Ibadan North Local Government) every week and this is different from the hundreds of learners registered under people carrying out businesses in these vocational skills area.

### Digital Skill Acquisition

Similarly, the advent of the internet has been changing the narrative of works. Newer jobs are being created to either complement or discard existing ones. And since these digital skills are mostly not incorporated yet into the academic curriculums of our schools, the demands keeps soaring higher especially amongst students, graduates who wants to fit in a digitally evolving labour market and people seeking career change. Skills in this category include Graphics Designing, Programming, UI/UX designing, Social

Media Marketing, Web Design, Search Engine Optimisation, Search Engine Marketing, Copywriting, Photography and Photo Editing and so on. And it cost N50,000 to N150,000 (Around \$100) on the average to train a learner in any of these digital skills.

To effectively carry out these trainings, we intend to use the following service delivery:

## **INDIVIDUAL TRAINING**

As part of our unique value proposition to make learning convenient and highly customised, we will be giving our learners the option to order for personal training in either digital or vocational skills. Under this training service, it is one tutor to one learner. This gives our learners the opportunity to customise their training and even learn at their own pace and convenience when it comes to location. And for trainings that require huge equipment to carry out, training are carried out with our partner institutions with whom we share profit. These service accounts for about 40% of our total revenue and as we move on we hope to reduce the direct cost and push it to account for more than 60% of our revenues.

## **GROUP TRAINING**

Under this, a group of learners come together to register for a training. Under this training, we have an average of 50 students to one tutor. We provide this to give a group of people with similar learning interests to take advantage of our trainings. We tailor this to people who share similar location, time schedule and economic power like a group of students within a campus. With group trainings, we are able to spread the cost of training over the students to make the trainings cheaper and more affordable. Apart from the fact that this service accounts for 58% of our revenues, it also has a very wide profit margin as high as 70-80%.

## **ONLINE TRAINING**

Skilling also takes advantage of the ongoing digital revolution to deliver trainings to our learners through electronic means. These online mediums include WhatsApp, Premium Videos and Email Course Correspondence. Through these online mediums, we are able to reach more learners and go beyond geographical boundaries.

## 3. Industry and Market Analysis:

### Industry Overview

Skilling belongs to the educational and training services industry where the market is large and growing with multiple types of opportunities available for new entrants. According to a report by Worlds of Education, GSV-Advisors calculated that the value of this industry, globally speaking, was \$4.9 (USD) trillion in 2015, and that venture capital investment in education companies reached nearly \$2 billion in 2014 (after growing at a 45% rate over the past five years). The vast majority of revenue in this industry comes from tuition or program fees. Gross profits tend to range from 60-90% depending on geographical location and subject matter, and net profit averages out to between 2-10% according to Report Linker global report of 2018.

Countries accounting for a significant portion of this industry include India, US and China with India alone standing at \$600 billion according to a research by Investor Relation Society. A research report by the US Bureau of Labor Statistics states that there are over 100,000 establishments in the private Education Service industry; almost 200,000 when including local, state and federal government institutions; combined, this industry employs over 3.5 million people. On the private side, the industry is largely fragmented – the fifty largest companies represent just 30% of the total revenue in the industry.

As companies within the industry have grown they have realized some benefits to scale - lower fixed costs and greater operational efficiency; however with that growth has often come a difficulty finding qualified instructors. However, online training resources, programs and even mobile apps have traditionally been seen as challenges to the industry, but in recent years successful educational service providers have found ways to leverage this technology to their great benefit. Not only are these tools helping students learn in new and exciting ways, but they are helping providers manage students, administrative functions and source material distribution more efficiently.

### Market Size

Specifically, the global tutoring market as a segment is forecasted to reach \$103 billion by 2018, according to Global Industry Analysts. Market growth is being fuelled by the demand to acquire practical and relevant skills for survival in the labour market.

The e-learning market is also one of the fastest-growing segments in the education Industry. The global e-learning market is projected to reach \$255 billion in 2017, growing at a 23% compound annual growth rate (CAGR) from \$166 billion in 2012. Increased internet penetration and devices such as smart phones, laptops and tablets have supported the demand for e-learning.

According to a report by UNESCO, Technical and vocational education and training (TVET) is a challenge in all African countries. In most countries the enrolment rate in formal centres is 5 percent or less. Non-formal TVET is predominant and often highly fragmented. Learning opportunities at the workplace, non-formal learning, private provision, and initiatives under various non-education sector ministries all tend to operate in a non-coherent way.

However, the non-coherent nature of the African market is not an evidence for lack of market, as a matter of fact, a 2017 report recently published by the National Bureau of Statistics states that 45.61 million young Nigerians are either unemployed or underemployed. And a former Minister for Finance, Dr. Ngozi Okonjo-Iweala has added that not less than 1.8 million Nigerians enter the job market every year from academic institutions that are largely theoretical in philosophy, hence, demanding that most of these population seeks to acquire additional skills and competence.

## **Opportunity and Growth Potential**

The growth in this industry is in part attributed to the growing global competitive landscape for higher education, but also for greater recognition of the value of vocational and technical education. Many folks are realizing that the cost of a college education can saddle a person for life - and are opting to skip college, learn a trade or skill and start making money faster and with less debt.

Africa has one of the fastest growing populations in the world with an annual population growth rate of nearly 3 per cent over the last 20 years. By 2050, Africa's current population of one billion would have more than doubled to 2.3 billion. More than 60 percent of the continent's population is below 25 years old and the continent's birth rates remain one of the highest in the world. This trend clearly shows an explosive demand (now and in the future) for education. And with the current situation of many government-owned educational institutions, it will be impossible to provide basic (higher and supplementary) education to Africans without the support of private businesses and organisations.

Similarly, Nigeria, with a population of 182.2 million is estimated by the United Nations to be over 300 million by the year 2050. This vividly portrays that the market is ever-growing and the demand for education and training will keep increasing and the prospect that people will continue to pay has been backed up by a report of the UN that in sub-Saharan Africa, training and educational fees consume more than a quarter of a poor family's income, covering not only tuition, but also indirect fees (such as membership of tutor-learner associations, community contributions, textbooks, uniforms and other forms of support).

Across the continent, government-sponsored schools and training institutions face the same difficulties – poor funding, low quality, rapidly falling

standards and general system failure. Because of these, the industry keeps being attractive for private players.

## Major Players

Globally, most education and training is government-provided. The private sector industry is highly fragmented with no single institution having a significant market share.

However, Major companies, according to Report Linker, in the global education and training services industry include Apollo Education Group (U.S.), Career Education Corporation (U.S.), ITT Educational Services (U.S.), Kaplan (U.S.), New Oriental Education & Technology Group (China), NIIT Limited (India) and Benesse Corporation (Japan).

In Nigeria, we have the government institutions including Federal Government and State Governments built vocational and training centres accounting for just an estimated 20% of the market share. Also, some of the major companies cited above have franchised outlets in the country further accounting for less than 5% of the market. Other players are private vocational centres that offer a semi-formal training environment with practical experience and traditional small business outlets engaged in different vocations and offering an apprenticeship training model.

## Favourable Government Policies

During a training and empowerment workshop organised by the Kano State Government to empower 1,000 young people from Kano, the Vice President, Prof. Yemi Osinbajo was reported to have said that 'Skill acquisition is the only way for Nigerian youths'.

Because of the ongoing employment crisis within the country and the inability of the government to create enough jobs for the younger population, the government has since embarked upon a campaign of skill acquisitions in addition to formal school education to encourage self-employment and nationwide skilled population.

For instance, in the bid to tackle mass unemployment, Nigeria's National Directorate of Employment has established vocational training centres all across the country to train young Nigerians in Technical Skills (VSD), Domestic Skills(VSD), Agricultural Skills(REPD), Business Skills(SSED) and Computer Skills(VSD).

Similarly, the National Youth Service Corps has recently established the Skills Acquisition and Entrepreneurship Department (SAED) with a mandate to train and mentor 100,000 young graduates in skill acquisition and entrepreneurship development for self-reliance annually.

These are different from other vocational skill acquisition programmes being carried out by various state governments. And in executing all these

programmes, government has always called on the private sectors to assist it in addressing the perennial problem.

## Addressable Market

Our addressable market centers around our locations Ibadan North Population with an estimated population of **306,795**, and Asaba, with an estimated population of **149,603**; Male & Female with age range 15 - 40. We estimate 20% (**61,359+29,920.6=91,279.6**) of the total population with the potential to pay for any of our trainings averagely priced at **N20,000**. Of this segment, 20% will patronise us more than once leaving us with an annual estimated market opportunity worth more than **N91million**. And according to our market research, an average vocational training outfit can make between **30-50%** gross profits with lesser cost ratio.

## Customers

Skilling sees its target customers as being inquisitive, vibrant youthful and eager to try something new and eager to stay relevant in a dynamic and fast evolving world. Key customers are the young to middle aged between 20 and 35 years, looking for a way to stay relevant within the economic chains of the society. Many of the potential customers in these segment are young adults who are either unemployed or underemployed and therefore are acquiring additional skills to secure better employment or set up themselves in self-enterprise. These customers are always in a hurry as they are under a lot of economic pressure to survive. Hence our customer relationship is swiftness, dedication and of reliability ensuring that we are partners in the speedy realisation of their dreams.

## Target Markets

Our initial target market are young adult Male & female customers located within the Agbowo/Bodija/Eleyele/Okpanam Road/Anwai Axis of Ibadan and Asaba, with age ranging 15 - 40 with spending capability of an average of 50,000 naira quarterly spending budget on education.

- Young Adults: Students (Secondary, undergrad, postgrad, etc), who are currently schooling or just finished a level in the schooling cycle and wants to acquire additional skills to stay ahead of their peers.
- Unemployed Graduates who are looking for acquire skills like desktop publishing to have a better chance and stay relevant in the job market or to acquire skills like baking to start their own small business.
- Young professionals skilled workers & Non skilled workers: Bankers, young business owners, lecturers, mechanics, Tailors who desire a career change.
- Inquisitive individuals who just love to learn new things.

## Market Segments

- ✓ Young Adults, Students (University of Ibadan, Poly Ibadan, Ogwashi Polytechnic and Delta State University), Serving Youth Corps Members, and unemployed and under-employed of ages 15 – 40.
- ✓ Potential customers have at least completed a level of education or currently enrolled in the education cycle; and they are looking for every way to stay relevant above their peers in the highly competitive labour market.
- ✓ A good number of them sponsored by their parents or relatives, or the same people sponsoring their education while those that are self-sponsored make and spend about 100,000 on a quarterly basis to enable them enroll for a skill acquisition class at least once in three months.
- ✓ We plan to capture market opportunities in schools; establishing customer base in schools through marketing and the delivery of both free and paid trainings, seminars and conferences.
- ✓ These environments also attract the unemployed graduates to make maximum use of our training programmes.
- ✓ Because we are a student friendly brand, we offer affordable trainings to our student customers (secondary & tertiary students) which mostly come in form of group trainings.
- ✓ Already existing companies are also targeted in our markets as we help them to train their staff to keep up with the demands of their job and the current trends in their chosen industries.
- ✓ Many of our potential customers have highlighted their special preference for choosing a training partner; many would like to train with an outfit that offers quality training that is fast, affordable and that respect their schedule with other engagements.

## 4. Competition

### Direct Competition

Notable competitions especially in our local area in Ibadan are: established corporate training centres like NIIT, HIIT, Aptech, local training centres and so on. Since the market is largely disorganized, it is expedient to put the competitions in groupings for convenient analysis:

#### Group 1

Multinational and established national training firms and their franchise partners like NIIT, HIITech, Aptech, Google, Facebook and so on. This group offers quality training but sometimes too expensive and most of the people that patronise them are middle to top earning professionals who can afford their fees. They deliver their training in almost a regulated fashion like a school environment. This group also issues widely recognised international certifications that gives customers an edge in the market place.

#### Group 2

Local computer training centres and Local Vocational Centres. While the training programmes offered here are not as quality as the group 1, they offer training programmes tailored to customers and certification that is recognised within their locality.

#### Group 5

NYSC SAED programme, National Directorate of Employment Vocational Centres. These are vocational centres and training programmes set up by the government to train young people in vocational and digital skills.

### Indirect Competition

Indirect competitions include the following groups:

#### Group 3

Local businesses offering training programmes.

These are local businesses whose primary function is not to train but sometimes takes on apprentices to train under them. For instance, a hairdressing salon that offers hairstyling services can also enroll one or two apprentices to train in the course of the business.

#### Group 4

Universities, Polytechnics and Technical tertiary institutions.

Though, the training here are largely theoretical but there are also times when in the course of enrolling for academic programmes, the University might include or make compulsory the acquisition of one or more vocational and/or digital skills.

#### Group 6

Free and Paid Online Learning Platforms.

FACTOR	SkillNG	Group 1	Group 2	Group 3	Group 4	Group 5	Group 6	Importance to Customer
<b>Training Coverage</b>	5	2	3	1	4	4	5	As the market becomes more dynamic and job demands become more diverse, customers are looking for training outfits who have enough coverage and facilities for various trainings. SkillNG covers both vocational and digital skill acquisition.
<b>Quality</b>	4	5	2	2	3	3	3	Learners are not willing to pay exorbitant fees for skills acquisitions, they still care so much about the quality they're of the training they are getting. SkillNG ensures this by verifying tutors and overseeing curriculum.
<b>Affordable Fees</b>	4	1	2	2	3	5	4	Our trainings are well priced and we take extreme consideration about the economic capacity of our learners. Our fees are relatively cheaper compared to the quality of our training.
<b>Training Delivery</b>	4	3	3	3	4	1	3	Our training delivery are well structured, organized and specially

								learn . earn customized for each individual or classes of learners.
<b>Stability</b>	3	5	4	3	3	4	3	Due to our current business structure, our services are yet to be stable as we cannot meet up with demands from customers.
<b>Expertise/ Tutor Quality</b>	4	5	2	2	2	2	3	Since we are not delivering the trainings directly, we make it our point of duty to recruit and engage the best tutors.
<b>Company Reputation</b>	2	5	2	1	4	2	3	Our company is relatively new compared to other competitors. Though almost 50% of the players operate without serious branding, we hope to strive to create a reputation and distinguish ourselves very quickly.
<b>Location</b>	5	3	2	2	2	2	3	While we have outlets in Ibadan and Asaba, we are very fluid and dynamic in our operations and we leverage strongly on partnership and technology to be where our learners want us to be.
<b>Certification</b>	2	5	3	2	4	3	2	Since, we are a new entrant, our certification is not well

								learn . earn recognized compared to those that already have a strong reputation.
<b>Advertising</b>	4	3	3	1	2	2	4	We have to compete within the same space for advertisement with our competitors. Though, we are closer to our own customer segment which give us a better penetration level

**The table above shows those features that are important to our customers and how we perform in delivering those values to them against our competitor groups:**

### Competitive Advantage

#### First Mover Advantage

We are the first company offering private tutoring service in vocational and digital skills acquisition if not in the country, then, especially in our chosen location of operation.

#### Cheaper Trainings

Because our trainings are decentralised and because many of our tutors are peer-to-peer, we are able to deliver trainings cheaper than our competitors can offer. Unlike those in Group 1 and Group 2 that can be very expensive to acquire.

#### Flexible Training Delivery

Depending on the interests of individuals and groups, we deliver a customised and tailored training sessions to suit the timing and location schedules of learners. Those that require personal tutor for a particular skill get a personal tutor that can go teach them at the comfort of their homes. This is unlike most of our competitors who already have fixed timetables and locations.

#### Customized Programmes

We ensure that our learners are able to decide what they want to learn and most importantly, they learn what is relevant and functional. This is unlike our competitors most of whom have fixed syllabus and curriculums.

#### Speedy Delivery

Because we respect the time of our learners, we ensure that our trainings are delivered on time, so they can quickly move on with their lives.

## **New Entrants: Probability, Potentials and Barriers**

While the probability of new entrants is 20% - 30% percent, the obstacles new entrants have to face include startup finance, the problem of getting qualified tutors and earning enough reputation for people to take their certification seriously in the market place against more established competitions.

## **Customer Loyalty and the Cost of Switching**

We intend to keep our tutors by giving them a very competitive remuneration and the flexibility of having fun instead of working. And we plan to keep our learners choosing us anytime they want to learn a new skill through our carefully crafted value proposition; forging partnership with more established brand to give greater credibility to our certifications; exposing our alumni to gigs, projects and job opportunities relevant to the programmes they took with us. While the cost of switching to competitor may be higher or lower depending on the competition group a customer is switching to, the added values we are giving to our clients will always make switching to competition more expensive for them.

## **5. SWOT Analysis**

Strength	Weaknesses
❖ Our staff and personnel have relevant educational	❖ Limited financial resources.

<p>and management certifications. They have been trained and are fellows of LEXY and LYFE business fellowship which gives them the management and knowledge edge over the average competitors.</p> <ul style="list-style-type: none"> <li>❖ All our tutors have relevant certification and track records of completed project and practicality in skills they are teaching.</li> <li>❖ Our physical operations are well blend with online supports. While we have physical outlets that people can walk into, they can also request for tutors online via our web and mobile app.</li> <li>❖ High youth penetration in terms of publicity and branding.</li> <li>❖ Customised and tailored training delivery.</li> </ul>	<ul style="list-style-type: none"> <li>❖ Limited market presence.</li> <li>❖ A good percentage of our operations will rely on partner organisations for tutorship and training locations for group which might introduce some constraints beyond our control.</li> </ul>
<p><b>Opportunities</b></p> <ul style="list-style-type: none"> <li>❖ Massive employment crisis in the country.</li> <li>❖ Nearness to students' environment (University of Ibadan and Ibadan Polytechnic Students in Ibadan, Ogwashi-Ukwu and DELSU students in Asaba.)</li> <li>❖ Secure partnership with student organisations, relevant government</li> </ul>	<p><b>Threats</b></p> <p>Too many players in the market that it might take a while to register a credible branding and image.</p> <p>Fear of learners completing their programmes.</p> <p>Those that organise similar trainings for free.</p>

<p>established skill acquisition agencies and centres.</p> <ul style="list-style-type: none"> <li>❖ Using online and electronic platforms to deliver trainings to address geographical challenges.</li> <li>❖ Government policies and attitudinal inclinations supports the entrance of private players in the skill acquisition industry.</li> <li>❖ Engage in CSR programmes by delivering free seminars to target groups like NYSC members, prison inmates and so on.</li> </ul>	
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## Enhancement of Strength

### **Relevant Educational and Management Certification**

We intend to acquire more of this to further distinguish us from competitions as professional and highly organised yet very friendly and informal. And we intend to recruit and engage more tutors who have relevant certification or an excellent record of project accomplishment.

### **Blend of Physical and Online Operation**

We strive to increase the various ways through which our customers can reach us and we make it more effective. We don't expect our customers to adapt to our channels but we strive to meet them at whichever channels are convenient with them. In addition to our web, mobile and physical point of contact, we will also activate our WhatsApp and Telegram office, our phone and SMS channels and make sure customers can also reach us via our social media accounts all-round the day.

### **Youth penetration**

We will activate various campaigns, promotions and social (entertainment) programmes to further increase our youthful population penetration rate. And we will see to it that we further make custom delivery of our training programmes available to meet the demands of learners.

## Reduction of Weaknesses

### **Financials**

We plan to put the financial resources at our disposal to maximum usage. And as soon as we deem it necessary for additional cash injection, we will not hesitate to apply for more funding opportunities to boost our operations.

## **Weak Brand**

We plan to increase our market visibility by strategic and well-timed publicity and advertising campaigns.

## **Partnership**

To reduce this weakness, we plan to seal partnerships with more serious brands who will not take us for granted. And to strive to take over those areas of partnership that we can take care as soon as we have the resources to do that.

## **Exploiting Opportunities**

### **Massive Employment Crisis**

We will take effective advantage of this opportunity by making sure that all our advertising and marketing campaigns are anchored on it.

### **Nearness to Student Population**

We will also make sure to take advantage of our nearness to student population by giving them preferential treatment and targeting more of our campaigns towards them.

### **Student Environment and Positive Government Policies**

We intend to exploit these opportunities by securing partnership with student organisations, relevant government established skill acquisition agencies and centres.

## **Reduction of Threats**

### **Too Many Players**

We plan to increase our market visibility by strategic and well-timed publicity and advertising campaigns. We also plan to achieve the quick feats of standing ourselves out from others by forging partnership with stronger brands.

### **Fear of Learners' Completion Rate**

We hope to reduce this by making sure that we deliver quality trainings, we make it fun and functional and most importantly we find more rewards to attach to completion.

### **Organisers of Free Training**

This group of people are one of our biggest threats. As people tend to go more for the free trainings but we will make sure we educate our market more on the quality of our own delivery as well as additional benefits they will get training with us. We also make sure we partner with NGOs and interested organisations to subsidize some of our trainings and also sponsor learners on scholarship as much as possible.

## **6. Operations Plan**

Operational and tutoring processes will cover the management of our mini Skill Hub, our various partnership facilities and the learner-tutor relationship which will also require competent hands and skills; excellent tutors for example represent a sizable investment in time and

money; thus the need to find and engage well-qualified tutors, <sup>learn . earn</sup> few skill managers and execute partnership with responsible organisations who can cover an enormous variety of responsibilities from populating our tutor database, executing group trainings and managing private tutoring . In establishing and growing our brand, the management and team will need to focus on strategic business procedures and operations.

## OPERATIONS

### Staff Operations

Our business process depends largely on human resources for both management and training purposes. Those in charge of management though few are very critical and important as they manage the recruitment and registration of tutors from a pool of which we engage for our various services. Those in the management category also manages our Skill Hub (our office where we register and match learners and tutors) and are also our representatives at partner organisation's facilities. From our operating region, we no doubt have access to sufficient independent-contractor tutors most of which are already professionals of various skills and sign up as part-time tutors. And when we start having challenges with the part time tutors, we start employing our own in house tutors.

### Learning Operations

Our learning operations is divided into three: The Private Individual Skill Tutoring Sessions which requires we match a tutor with a learner, The Group Training Sessions which requires a tutor to a group of learners and the Online Training Sessions using instant messaging platforms.

### Social Causes Operation

In line with our company's vision to address skill competence as a major factor responsible for employment crisis, we have already launched our social cause programmes, Kopa Konnect and Catch Them Young. The Kopa Konnect is a platform that currently organises empowerment workshop for corps members in entrepreneurship and basic corporate practices. And the Catch Them Young is a platform where we organise secondary school outreach where we not only give practical career counselling to secondary students but we also introduce them to technology and entrepreneurship and how they can start early and contribute positively to the society. Only 30% of the Kopa Konnect activities is for profit and the other 70% is specially designed to organise free capacity workshop and group trainings to equip these young Nigerians for the labour market while we use them as human and management resources to drive the Catch Them Young programme.

In establishing and growing our brand, the management, contract-tutors and team will need to focus on several key procedures which include:

## PROCEDURES

### Licensing & Agreements

Our first step is to secure & obtain necessary business permits, licenses, registrations; example include work permit, business registrations, lease or facility agreement for our Skill Hub, reviewing partners agreements, MOU and others. This usually will involve a written and signed approval or documents from all parties. Some of the basic legal requirements needed:

- ✓ Business registration certificate (Certificate of Incorporation Business License), relevant educational and Skill Acquisition certifications
- ✓ MOU agreements with relevant Government Skill Acquisition agencies and Commissions.
- ✓ FIRS – Tax Identification Number
- ✓ Business Plan Non – disclosure Agreement Employment Agreement (offer letters)
- ✓ Tutors' Handbook, Learners Code of Conduct, Employee's Handbook and so on.

### Resources, Recruitment and Training

- + Skill Hub: Secure an operating premises for our administrative activities and to also serve as a meeting centre for light trainings.
- + Recruiting core administrative staff who will be in charge of registering tutors, attending to learners' requests and other administrative matters; Training and educating them about our brand.
- + Registering Tutors: We continue to register and populate our database of tutors; Accrediting and verifying the tutors.
- + Securing partnership with business and skill acquisition centres so we can be holding trainings in their facilities.
- + Purchasing few laptops for administrative and digital trainings purposes. And for vocational skills purpose, we use the training facilities of our partners.
- + Designing our web and Mobile app where people can register as tutors and learners can request for tutors.

### Publicity and Marketing

Creating awareness of the brand, i.e rebranding through publicity one – on- one, social media and creating hype. Effective and aggressive PR strategy will be rolled out 3- 2 weeks before our launching and will continue as when due especially through our PR partners and team. In sustaining our brand we regard marketing as a big deal as our target markets need to be well aware of our presence and know the kind of services we offer; Marketing will therefore be a constant. We will also continue to leverage on our hundreds of part time tutors to represent and promote our brands. We will also ensure we recruit student ambassadors to aggressively push our campaigns amongst colleagues on campus.

### Process and Procedure

## Pre-Matching

Our trainings are being driven by a well-populated and growing database of professionals of various skills. These professionals range from students, graduates, artisans to gainfully employed individuals who train others in private arrangement for extra income and passion. Before joining our database, these tutors must have gone through a thorough accreditation and verification process certifying competence in the skills they are teaching which include Digital Skills and Vocational Skills.

## Matching

Learners who want to learn a particular digital or vocational skills can either walk to our Skill Hub to fill a form or send us a request for a personal tutor. During this process, the learner can choose from our list of available skills or specially request for a customised training. After looking at our database of the tutors paying attention to location proximity, professionalism and other factors, a tutor is then linked with the learner requesting for their service in private tutoring.

Alternatively, we organise online and offline group trainings from time to time on skills we think are in hot demand amongst students and young people and that are relevant to the labour market. People will be required to register for those trainings after which we will get tutors to train them collectively using our partners' facilities or other training halls.

## Post Matching

We cater for the training logistics in terms of curriculum, finances and resolution of disputes; and after completing a competency test, we certify them after the training.

## Implementation

After our pilot phase, we have stayed activities to re-launch our platforms and our new Skill Hub. The proper launching will be marked by a one day free workshop or conference on relevance of Skill Acquisition and Informal Training where we will invite government officials, private sectors and people that are active and experienced in the education sectors as resource persons. This will further create buzz and improve brand image. At the one day event we will be unveiling our new web and mobile app and other logistic branding. Launch plan work starts months before grand opening; as this will give us enough time to plan ahead of opening.

## Positioning

We communicate our brand positioning through brand stories that give reason as to why our customers should patronize us; stories of people we have trained and have secured employment and stories of those who after undertaking our trainings have gone to start their own businesses. Making customers see the value and benefit we create and how they too can take advantage of our platforms, tutors and efficient process in acquiring skills to launch their and activate their dreams within the economic ranks.

## **7. Marketing Plan**

In creating a successful awareness about our brand, we plan to employ an aggressive marketing approach. Through effective marketing we hope to execute at least 780 signups for personal tutorship requests and not less than 60 group trainings of at least 50 participants per training before the end of the first year. A significant part of our marketing efforts will be targeted towards students of tertiary institutions and fresh graduates in national youth service programmes. Just as we will also target corporate establishments and seeks for contract to re-train their personnel towards increasing their productivity in the workplace.

## Marketing Channels

### Physical Marketing

This include in-office marketing, Word of mouth via our registered and accredited tutors' and learners' referrals, and our brand supporters.

**One-To-One Marketing:** Our experienced and highly trained marketing team will target potential customers one on one from location A- B bringing into awareness and informing potential customers about our brand and its products or Public relations during exhibitions and corporate events. We would also consider outsourcing marketing to contract marketing outfit or individual marketer who earn commission based on customer conversion.

**Group Ambassadorship Marketing:** Our plan is to recruit volunteer-ambassadors specific to each of our market segments that will move strategically within their area introducing our brand to potential customers while at the same time generating leads and eventual conversion. For instance, we will have campus ambassadors who will handle physical marketing on campuses and ambassadors amongst corps members who will create brand awareness amongst their colleagues. We tackle each segment using different result yielding tactics. These ambassadors will be given brand souvenirs and other incentives to drive leads generation.

### Internet Marketing

One of the most effective channels to reach our target market is to create a stable and responsive online presence; this will allow us to retain old customers and interact with potential customers. This will include the designing of our web and mobile app, internet marketing and social media presence; ads on social networks such as twitter, Facebook and Instagram; email marketing and daily broadcast on instant messaging platforms like WhatsApp and Telegram. We will execute internet marketing strategies for our brand in order to get a wider coverage especially using SEO and other platforms. We will also maintain a regular blog updates about the usefulness of skill acquisitions and giving people tips and ideas on how to acquire relevant skills, we will in turn use these posts to drive traffic and leads to our website. We already have a website where both learners and tutors can register (though it is currently down for upgrades), we are also talking to our programmers on the design of our mobile app. And we have also set up our social media accounts to strengthen and drive traffic to the brand through regular social media campaigns of our programmes.

### Print and Media Marketing

Another channel is the print and media marketing. This include the use of attractive and well-designed flyers (reflective flyers that will reflect at night and attract attention of passersby), business cards, Billboards in Strategic locations around the city, public relations during exhibitions, corporate events, academic programmes, NYSC events like camping, POP, CDS days and so on. We will be publishing and placing adverts on famous local magazines, on campuses and students and youth focused news platform.

Also, we will be printing SKILLING branded shirts, pens and so on for our staff and tutors. learn . earn

## Event marketing

In order to gain and maintain engagement amongst customers, we would frequently run promotional contest; mostly targeted at our target audience who might enter such contest for some benefits (cash prize, etc) especially within students and young people circle. Our team of expert will reveal details of such completion. Others include revenue Sharing Business Partners like partnering with businesses with similar interest.

## Promotions

Our branding and promotional effort will be focused more on improving brand image, brand awareness and attracting more learners into our various programmes. This will include discounts on group trainings; freebies such as t-shirts, pens and free recharge vouchers; especially to our loyal customers and to capture attention of our target market, we intend to once in a while help people who have passed through our programmes get jobs and works related to their skills.

## Community efforts

SKILLING, through Kopa's Konnect, a platform that currently organises free empowerment workshop for corps members in entrepreneurship and basic corporate practices in Asaba will extend such to other places to build a permanent brand awareness through the organisation of these community focused programmes.

And through the Catch Them Young, We will also organise secondary school outreach where we not only give practical career counselling to secondary students but we also introduce them to technology and entrepreneurship and how they can start early and contribute positively to the society.

And we have already started a campaign #SaveEducationInNigeria through which we hope to drive an advocacy discussion towards restoring the glory of learning and making education serve its purpose in Nigeria.

## Incentive Marketing

In order to make our targets market switch from the platforms they patronise currently, we will put in place some incentive strategies to bring them over:

### Distributed Payment Plan

### Individual Private Tutoring

Learners are not under obligation to pay their fees all at once. We have a plan where learners are given the opportunity to pay for training in three installments - at the beginning of the training, in the middle of the training and the remaining part at the end of the training - for individual private skill tutoring.

### Group Tutoring

And for group training programmes, we break the cost of the training down and allow learners to pay per day. For instance if we are organising a group training on the use of Auto Cad Software. If the duration will last for 5 days and the cost of the training is 20,000 Naira per participants, we will allow participants to come each day with 4,000 Naira and on days they are absent they don't need to pay.

## Credit Allowance for Special Groups

For special groups like Corps Members, we can allow them to train on credit after signing agreements with us to pay once they receive their monthly allowance. These agreements will also be signed by their Local Government Inspectors and in case of defaulting, we will hold their NYSC certificates until they pay us.

## Pricing

Our deep market research into the market has given an in-depth analysis about the characteristics and behavior of our customers which in turn inform us about the minimum and maximum in which our prices can range. Our plan is to strike a balance between brand quality and learning fees by ensuring fees charged are not overly inflated so as to match our target customers' pockets some of whom are still dependent and others with an average of 50,000 Naira monthly spending budget on education. Our prices are slightly lower than competitors who has the same quality we offer and a little bit higher than those who don't have our quality but yet within customer's affordability. While we employ **a market based pricing strategy**, our prices are also often influenced by:

- ✓ Type of training, whether it is digital or vocational and whether it requires special equipment or tools.
- ✓ Class of learners whether they are students, corps members or working class.
- ✓ Whether it is group or individual training.
- ✓ And so on.

<i>Training</i>	<i>No. of Learners</i>	<i>Avg. Payment Per Training (Naira)</i>	<i>Avg. Duration Session</i>	<i>Avg. Duration Hours</i>	<i>Pay Per Hour for Tutors (Naira)</i>
<i>Personal</i>	1	50,000	10	20	1,000
<i>Group</i>	50	10,000 per learner *50 learners=500,000 per group training	5	10	5,000

<b>Online</b>	20	1000 per learner *20 learners =20000 per online group training	3	6	1,000
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Skilling employs the more for the same pricing strategy which ensures learners derive the best value for their money. We strive hard to match quality with quantity thereby ensuring learners have good value for their money. i.e Quality = Quantity = Value. By employing this pricing strategy, we hope to:

- ✓ Gain rapid market acceptance and build a reliable brand when it comes to Skill Acquisition.
- ✓ Spread quickly and gain more than 10% market share
- ✓ Raise prices gradually and create more options for our customers depending on their budget;

In setting the proper value for our services, we have factored in various cost; e.g. the factor of running our business, the value of our services to our learners, miscellaneous business costs unrelated to what we do and the market value of similar trainings. We vary our profit margin to range between 50 - 70% of the initial cost of providing the service depending on the form and type of the training.

## 8. Management

**Skilling** is the creative idea of **Oredola Ibrahim** and **Ojuolape Toheeb**, with great support from the Delta State Innovation Hub, Asaba, LYFE Entrepreneurship, Lagos, LEXY Business Fellowship, Sapele, Nigeria's Bank of Industry and Tony Elumelu Foundation. The core values of the company is built on quality, speed and youth friendliness. Our business approach and strength lies in our superb ability in youth mobilisation, awareness of skill trend in the labour market and our unparalleled ability to deliver a quality training experience to give our customers a leap in their work and business career.

### **OREDOLA IBRAHIM**

#### **CEO**

Oredola Ibrahim is a 2016 graduate of law from the University of Ibadan, Nigeria. He is an entrepreneur, a writer, a skill advocate, a tech enthusiast and a business strategist. He is passionate about community building, skill development, effective leadership and youth empowerment. As a graduate of Centre for Entrepreneurship and Innovation (CEI), University of Ibadan entrepreneurship programme, he has been involved as a team member in different startups like FinoFund (a campus crowdfunding venture), Hue Nation (a branding outfit for SMEs) and UI Hult Prize team Ancora amongst a couple of others. In 2014, he led his team to the finals in the 3rd Edition of Unilever Ideatrophly. While in the university in 2016, he led a team of students to raise about 500,000 Naira for five students' startup. He is a fellow at both LEXY Business Fellowship (Sapele, 2015) and LYFE entrepreneurship boot camp (Lagos, 2014). His passion for youth empowerment and skill development led to co-founding Skilling to address the problem of skill competency as one of the major causes of unemployment and employability crisis. His experience in innovation, brand development and business strategy makes him well-positioned to be the CEO of Skilling. He is in charge of structuring and overall business development and seeking new business opportunities for the company. He will also handle dealings partnership issues as well as develop business strategies that will promote the business and other key roles as pertaining to the company.

### **OJUOLAPE TOHEEB**

#### **CTO**

Toheeb Ojuolape is a final year student of petroleum engineering at the University of Ibadan. He is an entrepreneur, a student leader and a programmer. He is passionate about using technology to solve problems and make life easier. As an alumnus of Y-Combinator's Startup school, he has cofounded a number of startups including Tell!, Monus Anthology, Impressions & StartupStories. He has participated in various entrepreneurship programmes and competitions including Hult Prize, TechpointBuild, Students Innovation Challenge, NCDMB/NAICE Energy Challenge, SPE-Petroquiz

amongst others. Leveraging on these experiences, he was able to <sup>learn . earn</sup> acquire skills in leadership, emotional intelligence, teamwork and coordination.

His passion for social impact, community building, skill development, effective leadership and youth empowerment led him to cofound Skilling, a skill tutoring and talent development accelerator startup. Skilling addresses the problem of skill competency as one of the major causes of youth unemployment and unemployability in Africa by providing effective training for young people on in-demand digital, vocational and entrepreneurship skills and also makes it possible for startups, businesses and companies to intelligently hire these certified young professionals based on their skill competence. Skilling has helped over 1000 beneficiaries learn in-demand global skills and has helped in directly creating over 450 jobs by matching these trained youths with small businesses that require their talents.

Toheeb is the recipient of Dr. Olumide Philips scholarship for Best Petroleum Engineering Student in Academics, MTN Science & Technology Foundation scholarship, SPE Lagos section best student award and Winner of the Mentors4Edu Global E-learning Challenge.

## The Team

Skilling seeks to recruit responsible and self-motivated individuals who are passionate about learning and care about other's personal development; we seek persons who are willing to commit their time in creating a culture and experience of a decentralized learning system. Our team composition which will include person with passion for what they do, sociable personality, enthusiastic, positive and full of energy with Interpersonal and communication skills especially in persuasion, good team player & leadership skills, hardworking, multitasking abilities and the ability to present information to an audience of young people as they will drive the brand towards profitability. Our youthful and enthusiastic team will help create a sense of quality and speedy learning experience to our tutors and a modern youth culture of working environment for our tutors. Business profitability will be impacted by exceeding projected trainings figures.

We estimate a total staff strength of 8 in our first year with an average of N20,000 remuneration for salaries and other benefits to include work bonuses, performance bonuses, other incentives like accommodation allowances, transportation allowances and so on.

## Receptionist/Front Desk

**Qualification:** At least OND Certificate

### Role and Requirements

- ✓ The receptionist represents the public face of our brand at the Skill Hub.
- ✓ She or He is the first person customers see or the first voice they hear over the phone.

- ✓ She or He is in charge of tutor registration and she constantly learn . earn update and manages the tutor database.
- ✓ She or He receives all tutor requests and pass it onward to the Manager for further actions.
- ✓ She or He will be in charge of tracking tutor-learner's appointments and also tracks learners progress.
- ✓ She or He advices learners on the best skills to go for and the relevance of such skills to their career.
- ✓ She or He also creates contents and manages our social media pages.
- ✓ She or He must be able to use MS Word, Excels, PowerPoint and has a basic graphics designing skills.
- ✓ It is important that the receptionist conducts herself in a professional manner to give customers a good first impression.

## Sales Executive (Manager and Associate)

**Qualification:** At least a B.Sc in Management and Marketing related courses for Manager and at least OND for Associate.

### Role and Requirements

- ✓ Oversees the day to day activities of the Skill Hub.
- ✓ He or She attends to all tutor requests and based on other requirements approves a tutor to a learner.
- ✓ He or She is in charge of identifying skills in demand and organising all our group training programmes.
- ✓ He or She doubles as the HR manager for other staff and handles the accreditation and validation process for tutors.
- ✓ He or She serves as the admins for all our online trainings.
- ✓ He or She carries out regular research on trends and development relating to skill acquisition and comes up with innovative ways on how the company can take advantage of them.
- ✓ He or She must be able to use MS Word, Excels, PowerPoint among other software necessary for the smooth running of the office.

## Marketing Executive (Manager and Associate)

**Qualification:** At least HND certificate for Manager and OND for Associate.

### Role and Requirements

- ✓ overseeing and developing marketing campaigns
- ✓ conducting research and analysing data to identify and define audiences
- ✓ devising and presenting ideas and strategies
- ✓ promotional activities
- ✓ compiling and distributing financial and statistical information
- ✓ writing and proofreading creative copy
- ✓ maintaining websites and looking at data analytics
- ✓ representing the company in events and exhibitions
- ✓ updating databases and using a customer relationship management (CRM) system
- ✓ coordinating internal marketing and an organisation's culture
- ✓ monitoring performance

- ✓ Managing campaigns on social media.

## IT Support

**Qualification:** At least HND or B.Sc certificate in computer technology or in any other relevant course.

### Role and Requirements

- ✓ Installing, managing and configuring our web and mobile apps.
- ✓ Diagnosing and solving hardware/software faults
- ✓ Logging customer/employee/app users queries
- ✓ Analysing user logs to spot trends and underlying issues
- ✓ Able to talk about technology in simple terms
- ✓ A logical thinker
- ✓ An excellent problem solver with strong analytical skills
- ✓ Like to keep up to date with the latest technology.

## Tutors

Not until we grow to a significant level, our tutors will be strictly employed on a contractual term and they earn based on the job they have completed. And their major qualification will be that they are well knowledgeable in what they profess to teach either with relevant certification to attest to it or a track records of project accomplishment in that particular skill.

## External Representatives

As we are forging more partnerships and opening outlets with partner organisations, we will be recruiting representatives to manage our operations and relationships with them.

## Remuneration Table

<i>Position</i>	<i>Number</i>	<i>Monthly Remuneration (N)</i>
<b>CEO</b>	1	100,000
<b>Sales Manager</b>	1	50,000
<b>Sales Associate</b>	1	40,000
<b>Marketing Manager</b>	1	50,000
<b>Marketing Associate</b>	2	40,000
<b>IT Support</b>	1	40,000
<b>Front Desk/ Receptionist</b>	1	20,000
<b>Tutors<sup>1</sup></b>	-	-

<sup>1</sup> Factored and calculated tutor's remuneration under direct cost and not under salary.

<b>External Representatives<sup>2</sup></b>		
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## 9. Financial Plan

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<sup>2</sup> They will earn based on commission.

## Startup Expenses and Capitalization

### C. Startup Costs

Enter the costs you expect to incur in the process of setting up your business below. Note that not all costs may be relevant to your business, so only fill w

		* Re-purchase of CAPEX costs automatically compute in the year after assets rec			
Land	₺		-	-	-
Building / Civil Works	₺		-	-	-
Furnitures and Fittings	₺	300,000.00	300,000.00	-	-
Equipment and Machinery	₺	1,500,000.00	1,500,000.00	-	-
Vehicles	₺		-	-	-
Installations (Internet, Utility, etc)	₺	150,000.00	150,000.00	-	-

Automatically compute the additional startup costs by selecting from the drop-down menus to the right:

Opening Inventory*	₺	727,183.33	1 months' worth of direct costs
Initial Working Capital*	₺	637,500.00	3 months' worth of operating costs
Contingency	₺	331,468.33	10% of total startup cost
<b>Total</b>	₺	<b>1,950,000.00</b>	

### E. Operating Costs

Fill the following with data for your business. Note that not all fields may be relevant f

#### Direct costs

Raw material	₺	
Direct labor	₺	8,726,200.00
Factory overheads*	₺	
Inbound transport	₺	

#### Fixed costs

Salaries and Wages	₺	
Rent	₺	450,000.00
Utilities	₺	150,000.00
Marketing/Advertisement	₺	750,000.00
Administrative*	₺	1,200,000.00
Maintenance	₺	
Insurance	₺	
Transport	₺	
Subscription/Licenses	₺	

#### Depreciation rates

Building	%	5%
Furniture	%	15%
Equipment / Machinery	%	25%
Vehicles	%	20%
Installations	%	10%

<b>Training</b>	<b>No. of Learners</b>	<b>Avg. Payment Per Training (Naira)</b>	<b>Avg. Duration Session</b>	<b>Avg. Duration Hours</b>	<b>Pay Per Hour for Tutors (Naira)</b>
<b>Personal</b>	1	50,000	10	20	1,000
<b>Group</b>	50	10,000 per learner *50 learners=500,000 per group training	5	10	5,000
<b>Online</b>	20	1000 per learner *20 learners =20000 per online group training	3	6	1,000

Payments of tutors is calculated under Direct Cost and it has been calculated from the table above to account for 23% of total revenue generated each year.

## Remuneration Table

<b>Position</b>	<b>Number</b>	<b>Monthly Remuneration (N)</b>
<b>CEO</b>	1	100,000
<b>Sales Manager</b>	1	50,000
<b>Sales Associate</b>	1	40,000
<b>Marketing Manager</b>	1	50,000
<b>Marketing Associate</b>	2	40,000
<b>IT Support</b>	1	40,000
<b>Front Desk/ Receptionist</b>	1	20,000
<b>Tutors<sup>3</sup></b>	-	-
<b>External Representatives<sup>4</sup></b>		

<sup>3</sup> Factored and calculated tutor's remuneration under direct cost and not under salary.

<sup>4</sup> They will earn based on commission.

## Financing

### C. Startup Costs

Enter the costs you expect to incur in the process of setting up your business below. Note that not all costs may be relevant to your business, so only fill w

		* Re-purchase of CAPEX costs automatically compute in the year after assets rec		
Land	₦		-	-
Building / Civil Works	₦		-	-
Furnitures and Fittings	₦	300,000.00	300,000.00	-
Equipment and Machinery	₦	1,500,000.00	1,500,000.00	-
Vehicles	₦		-	-
Installations (Internet, Utility, etc)	₦	150,000.00	150,000.00	-

Automatically compute the additional startup costs by selecting from the drop-down menus to the right:

Opening Inventory*	₦	727,183.33	1 months' worth of direct costs
Initial Working Capital*	₦	637,500.00	3 months' worth of operating costs
Contingency	₦	331,468.33	10% of total startup cost
<b>Total</b>	₦	<b>1,950,000.00</b>	

### H. Startup Financing

To start your business, you need cash. Estimate what proportion of your startup costs will be

Personal savings (Owner's Capital)	%	20%
Grants*	%	43%
Equity*	%	37%
Debt*	%	100%

The initial capital and overall business financing of will be a combination of various financing options;

1. Founders Equity – N729,230
2. Tony Elumelu Entrepreneurship Program - \$5000 SEED
3. Equity Investment from family and friends - N1,349,075

### Revenue Projections

Our services include the following:

1. **Personal Training:** This is a private tutoring arrangement between a tutor and a learner. On the average, a learner pays 50,000 Naira per training.

For Personal Trainings, we project to have trained 272 learners by the end of the 1<sup>st</sup> year, 272 learners by the end of the 2<sup>nd</sup> year and 544 by the end of the third year. By the end of the 3<sup>rd</sup> year, we would have trained 1,088 learners in private skill tutoring.

2. **Group Training:** This is a group training where we have an average of 50 learners being trained by a tutor. Each learner on the average pays 10,000 Naira.

We project to organise 46 group trainings (training an average of 50 learners per training) each in the 1<sup>st</sup>, 2<sup>nd</sup> and 3<sup>rd</sup> year. By the end of the 3<sup>rd</sup> year, we would have organised 138 group trainings involving 6,900 learners.

3. **Online Training:** This is a group training carried out using online instant messaging platforms. Around 20 learners are put together per training and each pay an average of 1,000 Naira.

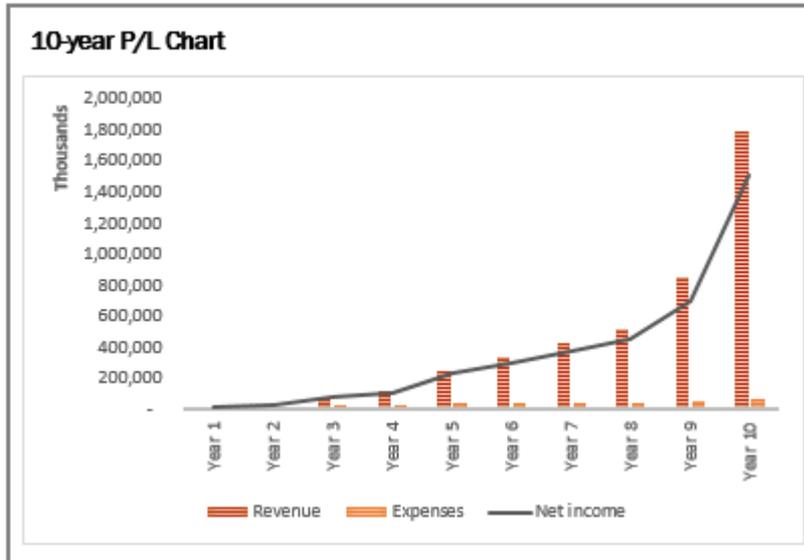
We project to organise 67 online trainings (training an average of 20 learners per training) each in the 1<sup>st</sup>, 2<sup>nd</sup> and 3<sup>rd</sup> year. By the end of the 3<sup>rd</sup> year, we would have organised 201 online trainings involving 4,020 learners.

## Income Statement

All figures expressed in thousands

		Year 1	Year 2	Year 3
		₦	₦	₦
<b>Revenue</b>				
Personal Training	₦	13,600	27,200	81,600
Group Training	₦	23,000	23,000	55,200
Online Training	₦	1,340	1,340	3,350
<b>Total Revenue</b>	<b>₦</b>	<b>37,940</b>	<b>51,540</b>	<b>140,150</b>
Direct Costs	₦	8,726	10,471	18,843
<b>Gross Profit</b>	<b>₦</b>	<b>29,214</b>	<b>41,069</b>	<b>121,307</b>
Salaries and Wages	₦	-	-	-
Rent	₦	450	435	545
Utilities	₦	150	158	205
Marketing/Advertisement	₦	750	750	1,125
Administrative	₦	1,200	1,200	2,160
Maintenance	₦	-	-	-
Insurance	₦	-	-	-
Transport	₦	-	-	-
Subscription/Licenses	₦	-	-	-
Depreciation	₦	435	435	435
<b>Operating Profit</b>	<b>₦</b>	<b>26,229</b>	<b>38,031</b>	<b>116,832</b>
Interest Expense	₦	-	-	-
<b>Profit Before Tax</b>	<b>₦</b>	<b>26,229</b>	<b>38,031</b>	<b>116,832</b>
Taxation	₦	7,869	11,409	35,050
<b>Profit After Tax/Net Income</b>	<b>₦</b>	<b>18,360</b>	<b>26,622</b>	<b>81,782</b>

**Financial projections on the financial statements**



## Cash flow Statement

All figures expressed in thousands

	unit	Year 1	Year 2	Year 3
		'000	'000	'000
<b>Operating Activities</b>				
Net Earnings	₺	18,360	26,622	81,783
Plus: Taxation	₺	7,869	11,409	35,050
Plus: Interest Expense	₺	-	-	-
Plus: Depreciation	₺	435	435	435
Minus: Changes in Working Capital	₺	(1,491)	(1,211)	(4,871)
<b>Net Operating Cashflow</b>	<b>₺</b>	<b>25,173</b>	<b>37,255</b>	<b>112,396</b>
<b>Investing Activities</b>				
Purchase of CAPEX	₺	(1,950)	-	-
<b>Net Investing Cashflow</b>	<b>₺</b>	<b>(1,950)</b>	<b>-</b>	<b>-</b>
<b>Financing Activities</b>				
Equity injection	₺	722	-	-
Loan taken	₺	-	-	-
Loan repayment	₺	-	-	-
Loan interest	₺	-	-	-
<b>Net Financing Cashflow</b>	<b>₺</b>	<b>722</b>	<b>-</b>	<b>-</b>
Cash Generated During the Year	₺	23,944	37,255	112,396
Cash at Beginning of Year	₺	-	23,944	61,199
<b>Cash at the End of Year</b>	<b>₺</b>	<b>23,944</b>	<b>61,199</b>	<b>173,595</b>

## Balance Sheet

All figures expressed in thousands

	unit	Year 1	Year 2	Year 3
		1000	1000	1000
<b>Assets</b>				
<i>Current Assets</i>				
Cash & cash equivalents	₹	23,944	61,199	173,595
Accounts Receivable	₹	1,118	2,236	6,707
Inventory	₹	478	574	1,033
Total	₹	25,540	64,008	181,334
<i>Non-Current Assets</i>				
Property, Plant and Equipment	₹	1,515	1,080	645
<b>Total Assets</b>	<b>₹</b>	<b>27,055</b>	<b>65,088</b>	<b>181,979</b>
<b>Liabilities and Equity</b>				
<i>Liabilities</i>				
Accounts Payable	₹	105	107	166
Tax Payable	₹	-	-	-
Total	₹	105	107	166
<i>Non-Current Liabilities</i>				
Long Term Loan	₹	-	-	-
<i>Shareholder's Equity</i>				
Investment Capital	₹	722	722	722
Retained Earning	₹	26,229	64,260	181,092
Total	₹	26,950	64,981	181,814
<b>Total Liabilities &amp; Equity</b>	<b>₹</b>	<b>27,055</b>	<b>65,088</b>	<b>181,979</b>

## Milestones and Attachments

Before now, **Skilling** has carried out a pilot of its operation to determine its market viability and feasibility. We carried out different trainings in Ibadan, Lagos and Asaba with managing teams that has excellent track records in skill development, youth empowerment, entrepreneurship and community building. Within three months of pilot phase, we amassed a database strength of over 900 tutors proficient in various skills across these three cities. And within these period, we were able to link 250 learners in group, online and private tutoring arrangement who learnt various skills ranging from graphics designer, programming, content development to baking and Ankara crafts amongst many others.

With the owner's capital, we have been able to some critical aspects of our startup costs including sorting relevant business and administrative registrations like CAC, Tax, Opening a Corporate Bank Account and other registration with local authorities and skill acquisition body. We have also been able to secure the rent of a small place to start our activities. And this has also taken care of the initial cost of branding and online presence like logo designing, website creation and so on. We are expecting a grant \$5,000 from the Tony Elumelu Foundation before the end of this year and in addition to an equity injection that will come by the 4th quarter of 2019 we hope to achieve the following milestones before 2020.

Our Milestones are simply divided into three phases:

- Establishing the Business Model
- Executing the Marketing Strategy
- Customer retention

## Milestone 2019

### Q1

- ✓ Reviewing MOU with lease facility.
- ✓ Hiring, mentoring and training process of marketers and other staff.
- ✓ Upgrading our website and initiating our mobile app project.
- ✓ Securing business premise and location.
- ✓ Purchase of some training tools like laptops for digital skills and some light equipment for vocational trianing.
- ✓ Marketing and advertising.
- ✓ Brand & launching Event: the launching event will be a one day Skill Acquisition Conference where seasoned professionals and speakers will be invited to talk on the importance of skill acquisition.
- ✓ Secure partnership with University of Ibadan Skill Acquisition Department, NYSC SAED, mentor and business consulting firms.

- ✓ Link 72 learners to tutors, organise 13 group trainings involving more than 650 learners and carrying out 15 online trainings involving 300 learners.

## Q2

- ✓ Finish our mobile and web app.
- ✓ Aggressive yet educative and entertaining marketing and sales strategies especially in communicating our brand on social media and blogs.
- ✓ Referral and ambassadorship program commences.
- ✓ Marketing Efforts; Print media: Flyers & Stickers (reflective stickers), Internet marketing; Facebook ads and twitter trends
- ✓ Link 66 learners to tutors, organise 13 group trainings involving more than 650 learners and carrying out 15 online trainings involving 300 learners.

## Q3

- ✓ Seal partnership deals with some of the companies in Group 1 of our competitions like Facebook, Google, NIIT and so on as training partners.
- ✓ Intensify our focused group marketing strategy plan i.e having more focused adverts targeted at University students, NYSC members, Secondary School students, Fresh graduates and so on.
- ✓ Link 80 learners to tutors, organise 12 group trainings involving more than 600 learners and carrying out 15 online trainings involving 300 learners.

## Q4

- ✓ More equity injection.
- ✓ Exploring, recognizing and tapping into new potential markets for the brand especially amongst the corporate junior professionals who want to pick up one or two skills maybe as a result of inquisition or for the purpose of changing their career.
- ✓ Targeting new potential market and customers; Marketing in banks, firms and so on; informing them of our presence, services and location.
- ✓ Brand and team evaluation; in terms of tutor database, request for tutor traffic (in store or virtual) and attendance rate at our group and online trainings
- ✓ Communicating & Emphasizing brand image and identity; Brand and Product Differentiation
- ✓ Link 54 learners to tutors (festive period decreases sales because people are more concerned about enjoying than learning), organise 10 group trainings involving more than 500 learners and carrying out 22 online trainings (People spend more time with their phones) involving 440 learners.
- ✓ Increase our tutor database to 2,000 tutors of different skills.

## Milestone 2020

### Q1

- ✓ Introduction of newer and more functional but relevant digital and vocational courses not popular with our market.
- ✓ Start researching on how to start a new SkillHub in another state towards our third year expansion plan.
- ✓ Sealing more partnership with student bodies to bring more tailored, discounted and customised group trainings to their members.
- ✓ Increasing the activities of our social initiatives like Kopa Konnect and free seminars to secondary school students to propagate the idea and importance of skill acquisition
- ✓ Starting our incentive marketing strategy outlined under marketing plan.
- ✓ Re-Training of our staffs to meet the dynamics of our market.

### Q2

- ✓ Start talking to companies and identifying opportunities for those who passed through our various programmes.
- ✓ Announcing a new features on our web and mobile apps.
- ✓ Starting Customer loyalty programmes.
- ✓ Aggressive constant marketing and engaging the services of more group ambassadors to carry out one on one marketing.
- ✓ Customer feedback survey and evaluation process.

### Q3

- ✓ Carrying out market survey on pricing change.
- ✓ Intensify Community Corporate Social Responsibility programmes.
- ✓ Partnering with every skill acquisition programme events to increase and establish market dominance.
- ✓ Investment portfolio considerations.
- ✓ Preparation for Company's Incorporation, preparing relevant business documents.
- ✓ Start talking to financiers and partners towards our 3rd year expansion.

### Q4

- ✓ Conclude our research and planning towards starting a new branch in another state.
- ✓ Conclude market survey on price change.
- ✓ Going for field work to inspect and seal arrangement of our new branch.
- ✓ Putting plans in place for a special publicity and advertising campaign for our new branch launch.

By the end of the 2nd year we project that,

- Sales volume for Personal Skill Tutoring would have gone up 100% recording a total revenue of 51.5 Million Naira and a net profit of 26.6 Million Naira.