

CHRISTIAN SERVICE UNIVERSITY COLLEGE, KUMASI

DEPARTMENT OF BUSINESS STUDIES

BACHELOR OF BUSINESS ADMINISTRATION

JUST – IN – TIME (JIT) FASHION CENTRE

BUSINESS PLAN

BY

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December, 2011

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BUSINESS PLAN

A BUSINESS PLAN SUBMITTED TO THE DEPARTMENT OF BUSINESS STUDIES OF
CHRISTIAN SERVICE UNIVERSITY COLLEGE, KUMASI IN PARTIAL FULFILLMENT
OF THE REQUIREMENTS FOR THE COURSE

CSAD 443 TEAM BUSINESS PROPOSALS

BY

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DECEMBER, 2011

STATEMENT OF AUTHENTICITY

I have read the Christian Service University College’s regulations relating to plagiarism and certify that this Business Plan is all my work and do not contain any unacknowledged work from any other source. I also declare that I have been under supervision for this Business Plan herein submitted.

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EXECUTIVE SUMMARY

This business plan is designed for Just-In-Time (JIT) Fashion Centre for the establishment of a first class fashion centre over a period of three years. JIT is a start up business that designs and sews neatly cloths from high quality fabrics at affordable price to suite the right specifications, taste and preference of customers using intelligently cutting edge technology and deliver to the customers just in time at their door step as and when needed at a small fee depending on proximity. JIT emerged as a result of the customers' loss of confidence, trust in JIT's existing competitors and their inability to sew to the customers' specification and delivers to the customers at their specified time of need. Contrary to our competitors, JIT will address these issues and, maximize customers' satisfaction to gain their trust and confidence in the sewing industry.

The purpose of the business plan is to access loan facility, help management of JIT in their operation of the fashion centre and help in the determination of JIT's profitability and its associated cost and risks.

JIT offers customers a variety of options, from creating one's own designs, choosing the material and style desired to just naming the occasion and time, and JIT will take from there to get you something to suite the occasion. With JIT, customers have the ultimate form of expression no limitation to expression whether good or bad, the choice of selecting from an extensive library or catalogues of design and the choice of coming along with their designs. JIT offers corporate entities such as banks, hospitals, institutions etc and individuals with limited time a chance to sew their clothes even at the comfort of their homes and offices by attending to their calls, taking their correct body measurement and deliver to the customers the desired product at affordable prices compared to that of JIT' competitors which will be discussed

extensively at a later stage. JIT is located the Central business district, Agyaba's building opposite GLO telecommunication, Prempeh II Street, Adum-Kumasi.

JIT's prime market is local for now and plans to win close to 50% of the market's share, to be a leader in the fashion industry to achieve an annual growth rate target of 20% but according to the financial forecasts, JIT will break-even in the 1st year.

JIT has a chance to earn quite a sizeable profit with the prospect of its subsidiaries here in Ghana. The total investment required as an initial capital is GH¢ 150,000. As of now, personal contributions of partners add up to GH¢90,000 (60%) of total estimated investment and GH¢60,000 (40%) would be a capital loan with expected interest of 28%p.a is being sort for this project which would be paid in the first 5 years of operation. The money would be used in this manner; GH¢7000 for premise, GH¢64654 for expenses, GH¢6220 for non-current assets, and GH¢60000 for some portion of initial production.

MISSION STATEMENT

- JIT would offer excellent sewed clothes and deliver the finished products to the doorstep of customers.
- JIT will also offer its customers the best product at the best price. Customers' expectations will always be exceeded.
- To maximize customers' satisfaction to gain their trust and confidence in the sewing industry.

ii VISION STATEMENT

Just-In-Time Fashion Centre would want to have subsidiaries in five (5) regions in Ghana in the next three years as part of our long term vision.

JIT'S CORPRATE OBJECTIVES

1. To be known as the premier fashion designers and distributors of excellent sewed clothing, achieve profitability within twelve (12) months
2. Design and implement strict financial controls to help ensure success.
3. Design and implement strict financial controls to help ensure success.

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1.0 ORGANIZATION

As times evolved, various fashion trends also came to be accepted in the world of corporate outfits. Formal, conservative look was the norm in the traditional corporate apparel, but the modern attire for corporate world calls for more comfort and style. Various types of cloths and colours are now made to integrate the otherwise dark, formal look of traditional corporate clothing. This is in response to the demand of workers to get additional comfort while working. For a fact, comfortability is often the determining factor why organizations and companies decide on changing their dress codes from traditional to modern corporate attires. In view of the trend of fashion, time constraint, and customers' loss of confidence, trust in existing sewing industry, and their inability to sew to the customers' specification and deliver to the customers at their specified time of need (just in time), brought to the minds of two brilliant entrepreneurs to capitalize on the opportunities the fashion world presents in order to solve these problems and also earn some income to reduce the rate of unemployed graduates in Kumasi and Ghana at large. It was initially thought of by Miss. Ernestina Apraku and Miss. Ruby Adjoa Sackey but along the line, Ms. Sheila Sackey, Mr. Andrew Adomako and Ms. Louisa Sarpong Nti showed the interest of becoming partners to it, after being informed of the idea. These people were invited on board because of their knowledge, experiences, skill in entrepreneurship.

This business is small scale with an estimated initial workforce of eleven staff (11) including management. It is a partnership business for the above listed people, contributing toward its establishment in terms of ideas and finances to make the dream a reality. JIT would be managed

by Mr. Andrew Adomako who will oversee the day to day operations of JIT's activities. He has a degree in Banking and Finance.

1.1 NAME OF BUSINESS

This business will legally be registered as Just-In-Time Fashion Centre an active partnership between five young entrepreneurs.

1.2 DATE AND PLACE OF REGISTRATION OR INCORPORATION

Just – In – Time Fashion Centre is currently undergoing registration at the Registrar General's department in Kumasi. Hopefully by the end of the month, the registration might have been completed since the registration duration is three (3) months from the date of registration.

1.3 DATE ACTUAL PROCESS WILL BEGIN

Just –In –Time Fashion Centre will be inaugurated on Saturday, 3rd December, 2011 at our premises in Adum on the second floor of the Agyaba building opposite GLO telecommunications, PREMPEH II Street. Actual business will commence after the inaugurations. For now, we are just operating in preparedness towards the launching day. This will help us to showcase our products to a section of the public and the media who will be present on the inaugural day.

1.4 LEGAL FORM, OWNERSHIP AND MANAGEMENT

This business is a small scale business with a workforce of eleven (11). It is actually an active partnership between five young entrepreneurs. JIT is owned and managed by these five entrepreneurs. They include the Operations Manager headed by Mr. Adomako Andrew and the Account officer, Miss Sheila Sackey. The Human Resource and Customer Service Officer

known as Mrs. Louisa Sarpong Nti, the Marketing & Sales Officer, Miss Ernestina Apraku and the Quality Assurance & Control officer, Miss Ruby Adjoa Sackey. They constitute the key management positions in JIT.

1.5 BUSINESS STRATEGY

We will use the penetration strategy because as an upcoming business, we want to gain grounds in the fashion industry.

1.5.1 MISSION STATEMENT

It is the mission of JIT to offer excellent sewed clothes and deliver the finished products to the doorstep of customers.

JIT will also offer its customers the best product at the best price. Customers' expectations will always be exceeded.

1.5.2 CORE VALUES

R: Reliability: Our customers can look up to us to offer them what they request for, at high quality.

E: Excellent Delivery: We deliver the end product to the customer's chosen destination at a small fee depending on the proximity.

S: Satisfaction and Affordability: satisfaction is guaranteed as far as quality is concerned at very affordable prices.

P: Product Quality: The uses of modern and industrial equipment as well as skilled employees to come out with a near perfect clothe to suit one's taste.

E: Expertise: Skilled people will be employed as well as a fashion designer to overlook the tailoring aspect.

C: Customer First: Customer loyalty is assured. The more reason for which JIT will give 10% of what the customer has paid back to them if we fail to deliver on our words. This shows how customers will be put first by JIT Fashion Centre.

T: Trust: Trust us for the best in everything we design and sew.

LOCATION AND PREMISES

Just- In -Time Fashion Centre will be located on the second floor of Agyaba building.

Our postal box number is KS 14132, Adum – Kumasi and

The number on which JIT Fashion Centre can be reached is 03220 - 30787

2.0 PRODUCT IDEA AND REALISATION OF SCHEDULE

PRODUCT IDEA

Gone are the days when fashion was associated with women. Globalization has made fashion primary concern of every one including male. This has made the fashion business lucrative resulting in many boutiques along road sides and many more. It is estimated that Ghana has over twenty-seven million (27,000,000) population including men, women, boys and girls and most of these people have their tailors and seamstresses. Sadly enough, some of these tailors and seamstresses have failed to meet the expectations of their customers by not sewing to their taste and preference as well as not meeting the dead line time and many more. Following the trend, two brilliant entrepreneurs capitalized on the opportunities the fashion world presents in order to **solve these problems and also earn some income to reduce the rate of unemployed graduates in Kumasi and Ghana at large.** It was initially thought of by Miss. Ernestina Apraku and Miss. Ruby Adjoa Sackey but along the line, Ms. Sheila Sackey, Mr. Andrew Adomako and Ms. Louisa Sarpong Nti showed the interest of becoming partners to it, after being informed of the idea. These people were invited on board because of their knowledge, experiences, skill in entrepreneurship.

2.1 DESCRIPTION OF PRODUCT

JIT Fashion Centre is basically into sewing clothes for individuals and institutions. As a custom designing company, we sew clothes using our own designs. A custom designer has wider market as we can sell our designs to stores and boutiques.

Our services include delivery of finished products at the customers' choice of location, taking orders from them (customers) to design to their specification and distribution to well known boutiques such as Jocent Collection and Dinah's Boutique at Adum.

PRODUCTION PROCESS

SEWING PROCESS

The basic process of sewing involves fastening of fabrics and similar other flexible materials with the help of needle and threads.

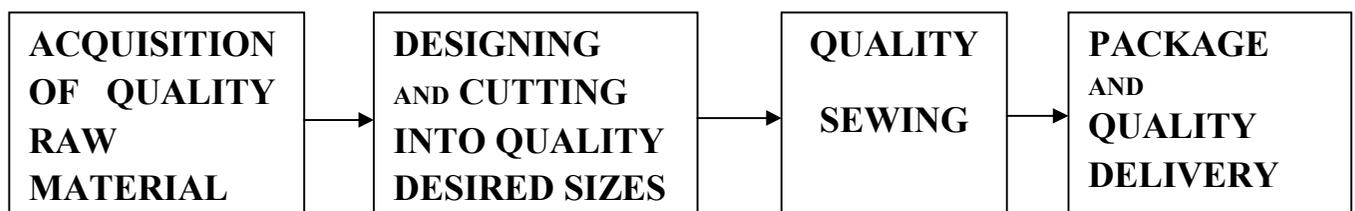
At the initial stage, pieces of garments are cut and generally tacked temporarily. The complex parts of the machine then pierces thread through the layers of the cloth and interlocks the thread.

First cut the patterns into individual pieces and then fit them on the back of the fabric making sure the direction line is going with the grain of the fabric. The straight pins should be placed vertical with the pattern edge inside the cutting line. After the pattern pieces are pinned to the back of the fabric, fabric is then cut. First cut the pieces in big junks, then go back to trim them properly. Make sure it is cut while it is flat, and do not hold it in your hand. The sewer then marks the pattern pieces. This is done with a coloured tracing paper that is put in between the pattern and the material. Use a tracing wheel to mark the darts. Select the right size for the person who will wear the garment (JIT will follow an international code for sizes for the products distributed to boutiques).

JIT's production room will use allowances for fit. All patterns contain an allowance for fit, known as "fit or wearing ease" or "designer ease". This allowance will determine what the final size is for the garment and indicates whether the garment will fit loosely and closely.

Designer ease refers to the overall appearance that the designer wishes to achieve. On the back of the pattern, it will be known as to which fabric suits the sewing project. It will be noted that some patterns suggest a range of fabric types as well as warnings for fabrics that are not suitable. Then make dots that show where darts, zips, pockets or gathering. These are to be added and buttons and buttonhole positions are shown by short lines. Fabric is then cut using solid line on the pattern pieces as a guide. Check the line and be careful to check that your fabrics print to see why any images will upside down. Pin the pattern pieces to the fabric and mark the pattern using tailor's chalk. The fabric is now ready for sewing to meet customers' demands and taste.

THE PICTORIAL PRESENTATION OF THE PRODUCTION PROCESS



This production system is quite different from the normal procedure we are acquainted to as far as sewing of clothes in Kumasi is concerned. JIT will use this process so that quality products can be produced for our cherished customers.



SAMPLES OF FINISHED PRODUCT

2.2 REALISATION OF SCHEDULE

SCHEDULE OF ACTIVITIES FOR YEAR 1

<u>SN</u>	<u>ACTIVITY</u>	<u>TIME</u>	<u>RESPONSIBILITY</u>	<u>BUDGETED COST</u>
				GH¢
1.	Funding	September	Owners	90,000
2.	Research	October	Outsourcing	100
3.	Office Location	Oct - Nov	Management	7,000
4.	Licensing	August	Legal Advisor	20
5.	Registration & Processing	August	Legal Advisor	50
6.	Recruitment	November	Human Resource / Customer Service Officer	210
7.	Launching		Management	300
	Planning:	Oct-Nov		
	Actual:	December 3		

3.0 HUMAN RESOURCES

3.1 MANAGEMENT TEAM

The key managers of JIT Fashion Centre are as follows.

The Operations Officer, Mr. Adomako Andrews,

The Accountant, Miss Sheila Sackey

The Human Resource and Customer Service Officer, Mrs. Louisa Sarpong Nti

The Marketing & Sales Officer, Miss Ernestina Apraku

The Quality Assurance & Control officer, Miss Ruby Adjoa Sackey

3.2 A PASSIVE CV OF MANAGERS AND DESCRIPTION OF THE MANAGERIAL POSITIONS.

Operations Officer

He is currently pursuing Bachelor of Business Administration specializing in Banking and Finance.

Duties

1. In charge of general or day to day operations of the business.
2. Supervision of the entire operation of the management team.
3. Policy and strategies formation.
4. Implementation and Evaluation of policies and strategies.

The Human Resource/Customer Service Officer

The HR officer is a product of Kumasi Polytechnic HND Accounting option, and currently pursuing a degree in Bachelor of Business Administration HR option at Christian Service University College (CSUC), with 5years working experience as accounts officer in a private business and 5years as an entrepreneur.

Duties

1. Responsible for strategies and policy formulation.
2. Responsible for managing the human capital of JIT fashion centre, recruitment and selection, attraction, retention and engagement of quality employees.
3. Responsible for Training and Development of employees.
4. Development of salary and payroll structure.

Sales and Marketing Officer

She is pursuing degree in Bachelor of Business Administration currently at Christian Service University College with marketing as her specialization.

Duties

1. Developing sales marketing strategies and identifying target market.
2. Promotion of the business through adverts and finding clients for the company.

Accountant

She is pursuing Bachelor of Business Administration specializing in Accounting at Christian Service University College (CSUC). She is also a graduate in accounting from Kumasi Polytechnic.

Duties

1. In charge of day to day financial Transaction of JIT
2. In charge of reconciliation of financial statement
3. Monitoring the credit and cash transactions of the business.
4. Responsible for Budget and Budgetary Control

Quality Assurance & Control officer

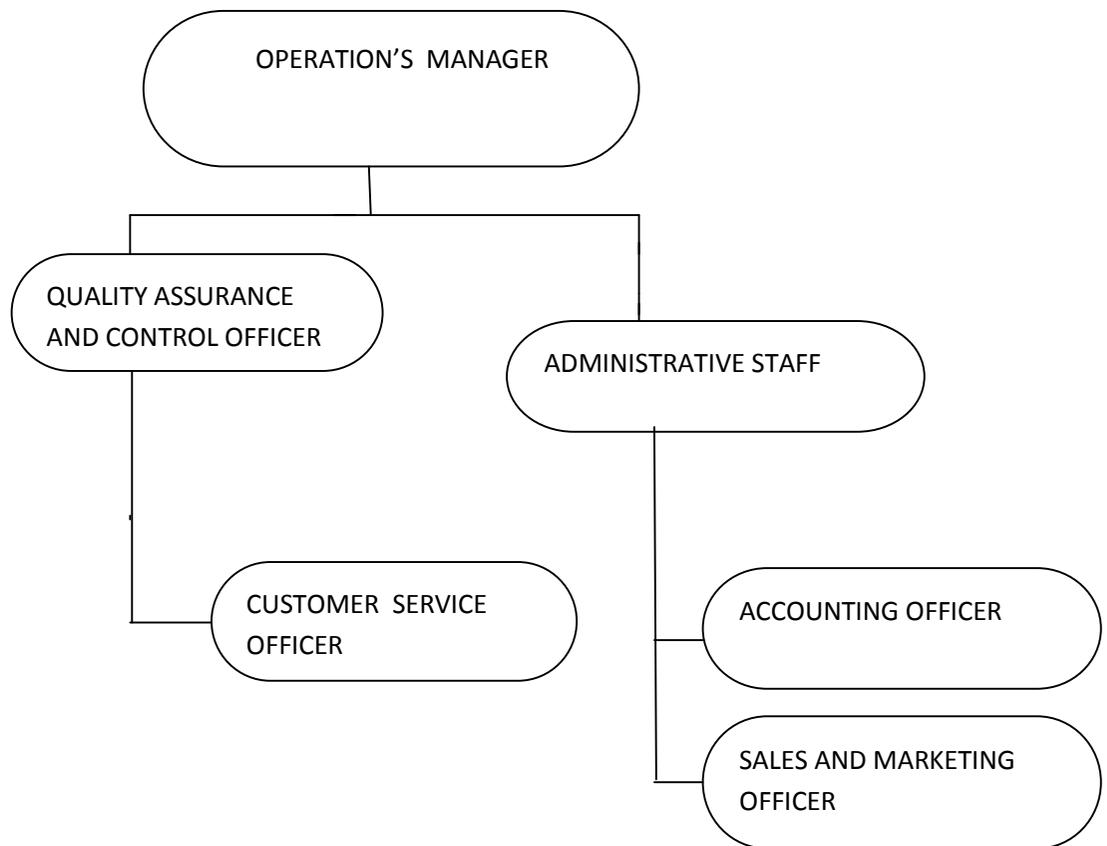
She has a Higher National Diploma (HND) in Fashion Design from Kumasi Polytechnic and pursuing a degree program in Banking and Finance in Christian Service University College.

Duties

1. Setting up strategies and policies
2. Monitoring the decisions and policies set
3. Implementation of decisions made
4. Supervision of designing and sewing staff

3.2 ORGANIZATIONAL CHART OF JUST-IN-TIME FASHION CENTRE

This chart shows the various departments in the organization and the flow of information.



4.0 MARKET ANALYSIS

4.1 BUSINESS SYSTEMS AND OPERATIONS

MANUFACTURING

Just – In – Time Fashion Centre (JIT) is mainly into the sewing and distribution of clothes to customers at their desired destination.

Below are the necessary tools as well as the procedures involved in sewing of clothes.

Cutting Table; a sturdy fairly high table (at least 30*48*36 inches) accessible from at least two sides is needed but a tabletop with adjustable legs work well.

Comfortable chairs with a strong back; the sewing machine should feel a little higher than a keyboard at a computer. It can be adjusted once working begins (sit on a cushion or try a lower chair) to feel comfortable.

Ironing board and Steam iron; the ironing board should be full-size not one with those little tabletop numbers.

Lots of shadow – free light; a task light is needed for the work and overall light for the sewing area.

Basically five (5) tools are needed for cutting and they include;

Dressmaker's shears which are stainless steel bent – handled seven (7) or eight (8) inch scissors exclusively for fabric. It is the most important tool in the sewing kit.

Trimming scissors, this pair of scissors has a four (4) inch (10cms) blade. It is used to trim away surplus fabric and neaten ends of machining.

Embroidery Scissors; these little cuties are for trimming off threads, clipping corners and doing other intricate work.

Regular Scissors; these are for cutting paper (like patterns) and anything else that comes your way. Having them would help in you in all actions than the dressmaker's shear which is exclusively for fabric.

MEASURING TOOLS

Sewing ruler; this transparent and bendable ruler helps you to measure and easily mark fabric, 2*18 inches with markings down to 1/8 inch (the standard unit of measurement in sewing).

Sewing gauge; a sewing (seam) gauge, for marking hems, checking seam allowances, placing buttons, lining up trim etc.

MARKING TOOLS

Tailor's Chalk; two white chalks are needed for marking dark fabrics and light blue chalk for fabrics and prints where white does not show. Chalk works well and is less expensive and would not disappear between sewing scissors.

Disappearing – ink marker; to easily mark fabrics and with absolute precision, nothing works better than a disappearing – ink marker.

PINS AND NEEDLE

Straight pins; thinner pins are for finer fabrics and heavier pins are for thicker fabrics. Pins with colorful glass heads are better since they are easier to grab and they are rustproof.

Pincushion; keep pins and needles safe and ready for action.

SETTING UP THE MACHINE FOR USE

Before you start sewing, place the machine on a sturdy table, counter, or sewing cabinet in front of you and sit in a chair that is comfortable with the height of the table then you are ready to sew.

First, remove the bobbin from the sewing machine by lifting the lever then; pull the bobbin housing out of the machine.

After removing the bobbin, tip the bobbin case over so that the bobbin will fall out into your hand, place the selected thread onto the spindle and insert a holder over it if there is one.

Loop the free end over the bobbin tensioner and any hooks on it.

Thread the end of the thread through the pin hole in the top of the bobbin then press the bobbin all the way onto the bobbin winding spindle. Make sure any springs or clips engage.

Disengage the needle mechanism.

Engage the bobbin winding mechanism. On some machines, it is done by pushing the bobbin spindle over to one side.

Hold the free end and begin winding.

Once this is done, hold the free end of the thread and keeping fingers clear of all parts, press the foot pedal or knee lever. The bobbin spindle will then turn. Cut off the end of the thread you

were holding in your hand (very close to the bobbin) as soon as there is enough thread on the bobbin to hold itself in place so that it would not slip out. This will prevent this thread from tangling onto any moving parts.

Fill the bobbin completely.

The next step after filling the bobbin is to hold the bobbin and case so that they are oriented. Check that the bobbin will unwind in the correct direction. If not, then flip it.

Insert the bobbin into the bobbin case and pull the thread under the bobbin tensioner (a thin metal latch). The thread should advance with a little resistance when you pull at it. Lift the latch and correctly insert the bobbin case into its housing.

You go ahead to re-engage the needle at the hand wheel, disengage the bobbin winder and set the machine back to a straight, forward stitch.

Thread the machine with the top thread as is usually done. Once the thread is through the needle, the bobbin thread must be raised and the end of the thread held with your free hand. Turn the hand wheel so that the top thread will pass around the bobbin. The needle should go down and back up to its highest position. One full strategy rotation should do it so that the top thread will pass around the bobbin.

Watch as the top thread pulls the bobbin thread through the hole in the plate under the presser foot. You can pass the closed ends of a pair of scissors under the presser foot to help pull the thread up and out. If the free ends do not advance a bit when it is pulled gently rotate the hand wheel a bit (not a full rotation) until they do. Generally, the needle will need to be at its highest position.

Finally, pull the loose ends to extend them and continue to hold them firmly so they do not get tangled as you begin to sew.

THE SEWING PROCEDURE

To start sewing, the first thing one needs is to choose a simple, woven material, not a knit one, especially for first time sewing experience, since knits can be and harder to handle.

Pin two pieces of fabric, right stretchy sides together, near the edge. The seam will go 1/2 inch to 5/8 inch from the edge.

Then the fabric is pinned right sides together so that the seam allowance will end up on the inside. The "right" side is whichever side of the fabric you will want on the outside when the piece is done. On printed fabric, it is generally the side with brighter colours.

You can sew right over pins, except for the heads, or you can remove the pins just before you get to them.

Install a needle securely; Needles have a flat side, so they can only go one way, usually with the flat side toward the back. Insert a needle all the way into the post and tighten the thumbscrew securely.

Find the presser foot lever and practice raising and lowering the presser foot. It will be a lever to the right or back of the needle assembly. Move it all the way down and all the way up.

Hold the end of the upper thread that passes through the needle with your left hand.

Turn the hand wheel on the upper right side of the machine. Generally, it is turned so that the top toward you can be moved. Turn it one full revolution.

Pass a pair of scissors between the presser foot and plate to pull both loops of thread up. You should now have the ends of two threads, one from the needle and one coming up from below.

Place the pins perpendicular to the line where the seam will go. You can sew right over straight pins, and still remove them later with no damage to the machine, the fabric, or the pins.

While you are looking at the fabric, notice which way the fabric itself goes. Seams may go any direction, but most sewing projects are cut so that the main seams go parallel with the lines of the weave. Also note the direction of the print if your fabric has one, and arrange it so it will be "right side up" such as with a floral or animal print or so that stripes or other patterns run a certain direction.

Use the hand wheel at the top of the right side of the machine to move the needle to the top of its travel before starting a seam and again to remove the fabric from the machine at the end of a seam.

Select a straight stitch and a medium stitch length. Sew with the bulk of the material to the left of the machine. Crowding that bulk on the right side can cause messy stitching.

Look for lines on your sewing machine indicating seam allowance. This is the "normal" space between the edge of the fabric and the stitching line. Generally, you should use the line at 5/8" or 1/2". Use a ruler measure on either side of the needle. This should already be marked on your machine's "throat plate" (the flat metal piece that the needle goes through). If not, mark it yourself with masking tape. Lower the presser foot onto the fabric.

If you give the fabric a gentle tug while the presser foot is down, you'll feel that the machine grips it pretty firmly. While you sew, the machine uses a feed dog under the presser foot to

advance the fabric at the correct speed. There's no need to pull the fabric through the machine; in fact, pulling can bend the needle or damage your project. You can adjust the speed and the stitch length on the machine.

Hold the loose ends of both threads, for the first few stitches; you will need to hold these ends to keep them from retreating into the fabric. After you've stitched for a short distance, you can let go and use both hands to control the fabric and the machine.

Press the foot pedal; it is your speed control. Just like the gas pedal in a car, the harder you push it, the faster you will go. Push it slowly at first, just enough to get the machine going.

You can use the hand wheel on the top, right side of the machine to get the machine spinning or to move the needle by hand.

The machine will advance the fabric automatically away from you. You can "steer" the fabric in a straight line or a curve by guiding it through the machine with your hands.

Do not force the material or pull the material while it is going under the needle. This can cause the material to stretch or the needle to break, or the stitches to clog up in the bobbin.

Find the reverse button or lever and try it. It reverses the direction that the machine feeds, so that the fabric travels toward you as the machine sews. You must hold it down to sew in reverse.

Use the hand wheel to move the needle to its highest position. Then, raise the presser foot. The fabric should pull out easily. If the thread pulls back when you try to remove the fabric, check the needle position.

Trim the thread, you can hold both ends of the thread and draw it down over this notch to cut the thread. If you don't have such a notch or you would like a cleaner cut, use scissors to trim the thread. Leave a tail extending from the machine for your next seam.

This is the step by step processes involved in sewing a cloth especially as a beginner. In order to keep the business running and more resources coming in, certain services such as distribution as earlier stated, the selling of pieces of cloth (after the day's activities) to carpenters, etc will also fetch us additional profit. This will even protect our environment as the by-product obtained from sewing can be used for something else including armrest and the like. We also intend to serve water and minerals to our clients as part of our services for a little fee.

In all this, our customers are assured of nothing but quality production and value for their monies, the more reason to boost employees' morale through bonuses. Certain critical incidents such as machine breakdown and power failure can bring production to a halt but even that will be taken care of through the services of a technician we will be employing on a contract basis and the purchase of a generator respectively.

4.2 ENVIRONMENTAL ANALYSIS

In terms of our environment, our competitors around us pose some threats but JIT has an upper hand over them. In terms of threats, these traditional seamstresses and tailors especially those located in the central business district already have captured the attention of the market, so trying to get their customers to patronize JIT's goods and services will be difficult.

This poses a threat to JIT because in Ashanti region, it is very difficult for people to accept change and also people are afraid of allowing new Companies like JIT to sew their clothes for them, of which cognitive dissonance is high.

In terms of opportunities JIT has an upper hand over the existing competitors who include the use of modern and industrial sewing machines which will help us to produce more than they can produce daily and also deliver on time.

Also, when there is power fluctuations work will not come to a standstill because provisions will be made to use generator so that we can meet the deadline of our cherished customers.

SUPPLIERS

The suppliers of JIT's raw materials will be Da Viva, Woodin, ATL, Printex and GTP, JIT will form an alliance with these credible branded textile Companies to be assured of constant and up to date supply of cloths. The suppliers are also situated in the central business area of Kumasi, thus, very close to JIT and, therefore we can easily have access to raw materials in order to avoid stock out. Due to JIT's good term of trade and negotiations, its suppliers will be ready to supply raw materials on credit.

BUYERS

Working class executives; People who really have busy schedules and have a taste for fashion, career women, the working class, actresses, students and people in the environs of Ashanti region.

TECHNOLOGICAL

JIT will have advanced machines that will enable work to speed up in order to meet its deadlines and targets.

SWOT ANALYSIS

The SWOT analysis describes the Strengths, Weaknesses, Opportunities and Threats facing Just-In-Time fashion Centre. Also, strategies for addressing the weaknesses are spelt out.

STRENGTHS

- i. An operational asset such as embroidery machine, neating machine and other equipment which our competitors do not have, gives us an upper hand.
- ii. The human capital: The use of intellectuals, skilled, and experienced workers in the organization will help us achieve our organizational goals and objectives.
- iii. Location: The business will be located in Adum (Agyaba building), Kumasi where most of our targeted clients including corporate bodies and institutions are sited.
- iv. Just-In-Time Delivery: We deliver the finished product to the doorsteps of our clients in the nick of time using motorbikes which are not traffic constrained to aid us to reach out to our customers on time which gives us a competitive edge over our competitors.

- v. The use of mobile phones and email to place an order also gives us that competitive edge because many of our competitors do not offer this service to their clients (thus on-line trading).

WEAKNESSES:

- i. Lack of adequate working capital and logistics about the fashion industry in Kumasi.
- ii. It will be a challenge for JIT to win its targeted clients as most customers already have some seamstresses whom they are in business with. That is the struggle for clients would pose some challenges for JIT in the short term. As part of our weaknesses, convincing dire-hard people to change their perception about tailors and their delays will be quite difficult and time consuming.

OPPORTUNITIES

- i. There are a growing number of people and businesses who have now adapted the introduction of the Friday wear and so this will be an opportunity for JIT to capitalize on and produce more for them.
- ii. The ability to meet customers' specification, preference and delivery is also an opportunity.
- iii. The loss of confidence and trust in the already existing competitors will make Just- In - Time Fashion Centre a household name in the fashion industry once we kick start our operations.

THREATS

- i. Our products are expensive to the low income earner.
- ii. High levies on imported equipment.
- iii. Free entry into the market without any legal requirement.

4.3 MARKET SEGMENTATION

JIT Fashion Centre will segment its markets to the interest of its varied customers because these customers are expecting to receive value for money. JIT will segment the market according to demographic (sex, income, household, population), behavioural and psychographic (perception, aesthetics, lifestyle). JIT Fashion Centre is aware of the variations in taste, lifestyle and needs so it will segment the under listed groups into sub-groups in order to cater and suit all customers.

The Primary Customer

The primary customers of J-I-T are small and medium scale enterprises; Government and Private institutions, Churches, Individuals including men and women and Social Clubs with a household income of over GH¢150. Their main characteristics are listed below:

Demographic and Geographic

- Male and Female (ages 20-55)
- Household income over GH¢150
- Educated
- Lives in Ashanti Region and its environs.

Psychographics

- Customers look for bargains (seasonal fashion) but willing to spend money on quality, core items.
- Would like more time or help in understanding what clothing is right for them
- They want to look their best because they want to feel good about themselves as well as make a good impression at their work.

4.4 TARGET MARKET

The target markets of JIT include Organizations (especially corporate organizations), Churches and Individuals as well as Social Clubs.

People who really have busy schedules and have a taste for fashion for instance; career women, the working class, actresses, students and people in the environs of Ashanti region.

4.5 MARKETING MIX

The Marketing mix to be used by JIT Fashion Centre shall comprise the following approaches Product, Promotion, Pricing and Place (distribution).

Product Strategy – JIT Fashion Centre will sew official wear such as suits, shirts for men and women, trousers, pencil and flair skirts for ladies and so on. These are mostly worn to work and other official meetings including lunch dates to close a business deal.

We also sew casual wear including Friday wears, “slit and kaba”, and blouses and anything casual. Also for our clothes to be unique and different from others, a special embroidery is designed into the clothe depending on our valued customer’s taste and preference but if it is being designed for boutiques, the business’ name (JIT) is embroidered into the sewn clothes to

market our designs in order to ensure effective branding and positioning. JIT intends to use good quality and beautifully designed materials to sew well appreciated and modern styles which are new on the market and would hardly fade soon.

Pricing Strategy – the pricing strategy of Just – In – Time Fashion Centre has been critically analyzed using price penetration strategy since competition is high and customers are price sensitive. JIT intends to maintain this strategy for the next three (3) years because Management believes that JIT Fashion Centre has the qualification, experience, machines, skills and innovation to produce highly acceptable quality products and services. This will help us JIT to produce efficiently and also to offer our customers prices that are lower than what our competitors are offering in the market. JIT's market research showed that the prices of competitors' products are more expensive.

Promotion Strategy

JIT's main promotional strategy would be to attend trade fair exhibitions organized by other institutions to show case or advertise our products to attract new customers. In addition to this, fliers will be distributed to outlets which include: salons, filling stations and so on, the use of family and friends who will recommend our products to other people, word-of-mouth (buzzing), internet, especially social networks like face book where pictures of styles would be uploaded.

Also, JIT will send its products to boutiques such as Jocent Collection, Dinah's boutique and other boutiques to be sold and advertised.

JIT would use other effective promotional tools such direct marketing, sales promotion (when a customer sews ten clothes he will have a discount on the eleventh one) and advertising.

Moreover, customer coupons will be issued to our customers who will later reproduce it after they have sewed up to ten (10) clothes, in order to be awarded discounts for their loyalty.

Companies or corporate bodies and institutions will also have discounts based on the number of orders they make.

Place or Distribution Strategy

JIT will use both direct and indirect distribution approach. The direct approach will be when JIT will deliver right at customers' doorstep and the indirect approach will be when JIT will deliver products to customers from the courier which JIT has alliance with.

Just-In-Time Fashion Centre will use motor bikes to distribute its products to corporate bodies and institutions as well as individuals at a fee depending on the proximity.

We are resorting to motor bikes as our distribution method because it will help us to reach our customers on time without having to waste any time in traffic. If customers are in the central business area of Kumasi, they will have their products delivered without delivery charge, but if they are outside Kumasi, their products will be delivered to them through courier (FedEx, DHL, and Metro mass just to mention a few). This indirect mode of delivery comes at a fee courier because the courier delivery will also take charge of any risk and damage should anything of the sort occur.

5.0 FINANCIAL ANALYSIS

5.1 ASSUMPTIONS AND RISK ANALYSIS

Just-In-Time Fashion Centre (J-I-T) is a business which is determined to succeed at all cost. In view of this, the Company has made analysis and identified factors which may jeopardize its success and has also come out with counter measures to successfully mitigate challenges when they occur. Below is the main risk JIT Fashion Centre will encounter in its operation.

Just – In – Fashion Centre will face direct **risk of adapting** to certain changes as far as society is concerned. Fashion comes and goes as today's fashion (style) may not be what will be demanded tomorrow because by then a new style would have come up in the society. This is a risk to JIT in terms of keeping up to new trends and even exceeding these trends in order to retain our valued customers and keep demand high.

We will employ a designer with good qualification and a working experience of not less than three (3) to handle the designing of clothes as a designer creates new designs and seamstresses only sew from these designs. Also, the internet will be frequently used to look out for new designs and the designer and other seamstresses will basically be made to attend short courses to sharpen and enhance their skills.

These risk factors identified in the establishment and business operation comes next to the main risk JIT is likely to encounter. These include;

Natural Risk, Human Risk, Economic Risk, Operational Risk, Political and Legal Risk.

NATURAL RISK – In the area of Natural Risk, JIT Fashion Centre foresees the possibilities of fire outbreak and rainstorm destroying its building and stock items.

In view of this, JIT will store both the raw materials and finished products on level shelves so that they may not be destroyed by rains.

Also, fire outbreaks as much as possible will be prevented by putting strict measures in place in and around the business premises. For instance, there will be a “no smoking” notice on the business’ walls to warn people. Fire extinguishers will be installed and lastly insurance cover will be obtained for all possible uncertainties.

HUMAN RISK – Human risks identified comprises; injuries, death, resignation of staff, labour turnover, theft, fraud and many others. JIT will put in place safety policies to govern operations. Workers will be provided aprons, pincushions, etc to prevent injuries. Moreover, the Company intends to reduce resignation of key personnel on the business operations by practicing job rotation to expose workers to all operational activities.

Also, workers will be encouraged to register under the National Health Insurance Scheme (NHIS) and embark on medical check-ups. Effective internal control measures will be put in place to prevent, deter and detect theft, fraud and irregularities among others. With the possibility of its trade secrets regarding its production methods being leaked out by some of its key personnel. JIT will minimize labour turnover by motivating (intrinsically and extrinsically) workers adequately for them to stay loyal to the company.

ECONOMIC RISK – The Company in its economic analysis identified high interest, inflationary rate and the depreciation of the Ghana Cedi against major trading currencies as some of the economic risk it is likely to face.

In the period of high interest rate, JIT will try as much as possible to reduce its bank borrowings significantly and rather resort to credit purchases with soft terms.

Moreover, the Company will resort to keeping in stock many raw materials and less cash during inflationary period and also review its policy on credit sales to customers. JIT will, to some extent, keep some of its monies in the currencies of the major trading currencies (partners) which are stable in the period of continuous depreciation of the Ghana Cedi.

POLITICAL RISK – Ghana at the moment is enjoying some level of political stability but political conflicts cannot be overlooked entirely. JIT intends to stay neutral in its political dealings with the various political activities to avoid attacks from any opposing or ruling party.

OPERATIONAL RISK

As a company, we are likely to have challenges with our system and this may bring production to a standstill. For instance, if there are constant power fluctuations or failure, it may cause problems to the machines since most of our machines are electrically powered.

In view of this, we will employ the service of a machine repairer on a contract basis so that in case of anything, we can just contact him. We will make sure that this person is within our operating area which is Adum.

LEGAL RISK – The possibility of any of JIT's stakeholders; land – owners, competitors, suppliers, customers, key personnel, etc dragging the company to court for any legal breach will be controlled. JIT will seek legal advice in all its contractual dealings to prevent or minimize the cost of law suits.

ASSUMPTIONS

- I. Depreciation would be 20% on cost using straight line method.

- II. Taxes would be 25% on JIT's profit
- III. Unit sales would be stable at the second year.
- IV. There would be an increase in prices of JIT's product in the second and third years by 7% and 9% respectively.
- V. JIT would have 50% of the market's share at the end of the first three years.
- VI. JIT will ensure quality in all processes right from acquisition of raw materials to the final delivery of the product.

REFERENCES:

MENTORS PUBLICATIONS, BANTAMA HIGH STREET

EMMA'S FASHION, OBUASI

GREAT BUSINESS SOLUTIONS (G.B.S), PLAZA HOTEL, ASOKWA

COSTING AND PRICING**APPENDIX 1**

UNITY	MALE YARD	PRICE GH
Material	2.0	20.00
Embroidery		16.00
Sewing		10.00
Cost of Product		46.00
Profit Margin		23.46
Unit Pricing		69.5

FEMALE

Material	3	30.00
Embroidery		20.00
Sewing		10.00
Cost of product		60.00
Profit Margin		30.60
Unit Pricing		90.60

APPENDIX 2**CALCULATION OF FINANCIAL RATIO****PROFITABILITY RATIOS**

Net Margin	Net Profit	Year 1	Year 2	Year 3
Year 1	8.9	2.17		6.35

Gross Margin Profit	Year 2	Year 3	
Year 3	33.53	32.51	32.71

APPENDIX 3

PROJECTED SALES	SALES STRATEGY		
	YEAR 1 GH¢	YEAR 2 GH¢	YEAR 3 GH¢
quantity of sales	3,456.00	2,304.00	2,700.00
unit sales:			
male	70.00	75.00	82.00
female	90.00	96.00	98.00
total sales:			
male	60,480.00	43,200.00	55,350.00
female	233,280.00	165,888.00	198,450.00
	293,760.00	209,088.00	253,800.00

direct unit cost			
male	46.00	50.00	52.00
female	60.00	65.00	67.00

direct total cost:			
male	39,744.00	28,800.00	35,100.00
female	155,520.00	112,320.00	135,675.00
	195,264.00	141,120.00	170,775.00

HUMAN RESOURCE SCHEDULE	NO.	BASIC SALARY GH¢	TOTAL GH¢	SSNIT 12.5% GH¢	TAX 0.5% GH¢	NET SALARY GH¢	ANNUAL SALARY GH¢
POSITION							
operations manager	1.00	400.00	400.00	50	2	348	4,176.00
H.R. and customer care officer	1.00	400.00	400.00	50	2	348	4,176.00
marketing officer	1.00	400.00	400.00	50	2	348	4,176.00
accountant	1.00	400.00	400.00	50	2	348	4,176.00
designer	1.00	350.00	350.00	43.75	1.75	304.5	3,654.00
riders	2.00	150.00	300.00	37.5	1.5	261	3,132.00
sewers	3.00	200.00	600.00	75	3	522	6,264.00
quality assurance officer	1.00	400.00	400.00	50	2	348	4,176.00
TOTAL	11.00	2,700.00	3,250.00	406.25	16.25	2827.5	33,930.00

NON - CURRENT ASSETS	quantity	unit price	total amount
building (office)	2.00	3,500.00	7,000.00
motor bikes	2.00	1,000.00	2,000.00
mirrors	2.00	100.00	200.00
electric sewing machine	1.00	130.00	130.00
cutting table	1.00	80.00	80.00
swivel (comfortable chair)	15.00	50.00	750.00
ironing board	2.00	50.00	100.00
scissors	3.00	20.00	60.00
air condition	2.00	1,000.00	2,000.00
embroidery machine	1.00	200.00	200.00
generator	1.00	350.00	350.00
ridge	2.00	100.00	200.00
office equipments	1.00	500.00	500.00
total	35.00	7,080.00	13,570.00

APPENDIX 4

DEPRECIATION SCHEDULE	cost (GH¢)	dep. Value (GH¢)	net book value(GH¢)
motor bikes	2,000.00	400.00	1,600.00
mirrors	200.00	40.00	160.00
electric sewing machine	130.00	26.00	104.00
cutting table	80.00	16.00	64.00
ironing board	100.00	20.00	80.00
scissors	60.00	12.00	48.00
fixtures and fittings	2,750.00	550.00	2,200.00
embroidery machine	200.00	40.00	160.00
generator	350.00	70.00	280.00
fridge	200.00	40.00	160.00
office equipments	500.00	100.00	400.00
total	6,570.00	1,314.00	5,256.00

depreciation is of straight line method and rate of 20%

NET PRESENT VALUE

year	cash flow GH¢	discount factor 28%	present value (150,000.00)
0	(150,000.00)	1.00	(150,000.00)
1	156,935.50	0.78	122,606.00
2	149,488.88	0.61	91,241.00
3	159,830.76	0.48	76,213.00
			140,060.00

FORMATION EXPENSES

	GH¢
Registrar general	50.00
Travelling and transportation	15.00
others	35.00
total	100.00

ADVERTISEMENT

	GH¢
files	100.00
Trade fair exhibition	200.00
total	300.00

PROJECTED LOAN REPAYMENT SCHEDULE (GH ¢)

YEAR	INTEREST RATE 28% LOAN PERIOD - 5 YEARS				
	LOAN CAPITAL	INTEREST ON LOAN	TOTAL AMOUNT	REPAYMENT	INTEREST
1	60,000.00	16,800.00	76,800.00	16,800.00	16,800.00
2	60,000.00	16,800.00	76,800.00	16,800.00	16,800.00
3	60,000.00	16,800.00	76,800.00	16,800.00	16,800.00
4	60,000.00	16,800.00	76,800.00	16,800.00	16,800.00
5	60,000.00	16,800.00	76,800.00	16,800.00	16,800.00

5.2 PROJECTED INCOME STATEMENT	YEAR 1(GH¢)	YEAR 2(GH¢)	YEAR 3(GH¢)
Sales revenue	293,760.00	299,088.00	253,800.00
less direct cost	<u>195,264.00</u>	<u>141,120.00</u>	<u>170,275.00</u>
gross profit	98,496.00	67,968.00	83,025.00
less expenses:			
salary	33,950.00	35,626.50	37,407.83
catalogue	100.00	30.00	30.00
Training and Development			200.00
Research	100.00	100.00	
Recruitment	210.00	212.00	215.00
fuel	2,000.00	2,200.00	2,500.00
transportation and travelling	300.00	380.00	330.00
depreciation	1,314.00	1,314.00	1,314.00
interest on loan	16,800.00	16,800.00	16,800.00
rent	7,000.00	4,800.00	4,800.00
advertising	300.00	100.00	100.00
repairs and maintenance	100.00	250.00	400.00
insurance	100.00	120.00	140.00
legal fees	20.00	25.00	35.00
formation expenses	100.00	-	-
utilities expenses	1,200.00	1,350.00	1,460.00
total	<u>63,574.00</u>	<u>63,207.50</u>	<u>65,713.83</u>
profit before tax	34,922.00	4,660.50	17,293.18
less tax 25%	8,730.50	1,165.13	4,323.29
net profit	<u>26,191.50</u>	<u>3,495.38</u>	<u>12,969.88</u>

5.3 BREAK-EVEN ANALYSIS	GH¢	FIXED COST	GH¢
Variable Cost			
direct cost	195,264.00		
Catalogue	100.00	Salary	33,950.00
Recruitment	210.00	Rent	7,000.00
Research	100.00	Insurance	100.00
Fuel	2,000.00	Formation expenses	100.00
Travelling and transport	300.00	Total	41,130.00
Advertisement	300.00		
Repairs and Maintenance	100.00		
Legal fee	20.00		
Liabilities Expense	1,200.00		
Total	199,894.00		
Sales	293,760.00		
Variable Cost	199,894.00		
Contribution	94,166.00		
Fixed Cost	41,130.00		
Profit	53,036.00		
The contribution of sales (C/S) ratio	<u>32.166.00</u>	0.32	
	293,760.00		
Break Even	<u>41,130.00</u>	128,309.04	
	0.32		

5.4 PROJECTED CASHFLOW STATEMENT	GH¢	GH¢	GH¢
CASH INFLOW (A)			
sales	293,760.00	299,088.00	253,800.00
capital invested	<u>150,000.00</u>	-	-
	443,760.00	299,088.00	253,800.00
CASH OUTFLOW (B)			
tax payment	8,730.50	1,165.13	4,323.29
direct cost	195,264.00	141,120.00	170,775.00
general and administration exp	63,574.00	63,307.50	65,731.83
non-current asset	5,256.00	3,942.00	2,628.00
rent prepayment	<u>14,000.00</u>	<u>7,000.00</u>	-
	286,824.50	216,534.63	243,458.12
net cashflow (A-B)	156,935.50	(7,446.63)	10,341.88
opening balance	-	156,935.50	149,488.88
closing balance	<u>156,935.50</u>	<u>149,488.88</u>	<u>159,830.76</u>

5.5 PROJECTED FINANCIAL POSITION	YEAR 1 (GH¢)	YEAR2(GH ¢)	YEAR3(GH¢)
property plant and equipment	5,256.00	3,942.00	2,628.00
current assets			
debtors	8,730.50	16,459.62	20,932.42
prepayment rent	14,000.00	7,000.00	-
cash or Bank	<u>127,674.50</u>	<u>108,138.63</u>	<u>118,288.17</u>
	150,661.00	135,530.25	141,846.59

equity and liabilities			
capital and surplus			
capital	150,000.00	150,000.00	150,000.00
net profit	<u>26,191.50</u>	<u>1,495.38</u>	<u>12,269.88</u>
	176,191.50	153,495.38	162,269.88
non-current liability:			
interest on loan	16,800.00	16,800.00	16,800.00
corporate tax	<u>8,730.50</u>	<u>1,165.13</u>	<u>4,323.29</u>
	150,661.00	135,530.25	141,846.59