# **CHAPTER THREE: ORGANISATION AND MANAGEMENT PLAN**

## **3.1 Duties of Managing Director**

The managers will undertake various roles in the organization. The top-level managers will be primary tasked with planning, decision making and directing. Other managers including middle managers and first-line managers would involve staffing and coordination. This would involve ensuring that the employees in different departments have all the quantities required and also the number required is obtained. The organizational Hierarchy would involve:

## **3.2 Recruitment, Training and Promotion**

The recruitment paradigms would be undertaken by the Human resource department. The department will involve a group who is responsible for managing the employee life cycle (i.e., recruiting, hiring, onboarding, training, and firing employees) and administering employee benefits. For training purposes, external parties would first be invited to provide in-depth training to the first-time employees. Through knowledge management, the organization would then be able to store and convey both tacit and explicit knowledge to the other employees. Therefore, training would subsequently be tasked to the HR department and the other employees to reduce the costs of training. Various paradigm would be used to ensure robust promotion in the organization. The initial remuneration and incentives would include:

|  |  |  |  |
| --- | --- | --- | --- |
| **Personal** | **Number** | **Salary per month** | **Salary per year** |
| Managing Director | 1 | 80,000 | 960,000 |
| Human Resource Manager | 1 | 65,000 | 780,000 |
| First Line Managers (marketing manager and chief accountant) | 2 | 50,000 | 600,000 |
| Middle line Manger (Supervisor and sales director) | 2 | 50,000 | 12,000,000 |
| Team Leaders | 4 | 40,000 | 1,920,000 |
| Employees | 10 | 30,000 | 3,600,000 |
| Other staff (Cleaners and watch guard) | 3 | 10,000 | 360,000 |

## **3.3 Licenses, Permits and By Laws**

For the organization to profoundly operate, it must comply with government regulations and requirements. Therefore, the business will be registered and undertake the following:

**License Act:** This will be taken from the Registrar of companies after payment of the registration fee and proclamation of the business activities.

**Trading permit:** This will allow the business to indulge into trading activities.

## **3.4 Support Services**

These are services which are offered by other institutions and are needed by the company to operate the business effectively. The services will involve; banking services, postal services, internet services and insurance services.

# **CHAPTER FOUR: PRODUCTION/OPERATIONAL PLAN**

## **4.1 Production/Operational Facilities & Capacity**

The following facilities would be required by the business to facilitate smooth and efficient entry into the market.

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| **Item** | **Quantity** | **Capacities** | **Unit Price** | **Total Prices** |
| Premise | 1 | 5 Rooms with 1 being a show and 1 equipment storage |  | 150, 000 rent per month |
| Computer | 3 | 1 TB | 40,000 | 120,000 |
| Furniture | 5 | Pieces | 10000 | 50000 |
| Printer | 1 | 1 | 5000 | 5000 |
| Computer Accessories | 5 | N/A | 60000 | 60000 |
| Additional Equipment and miscellaneous | N/A | N/A | 40000 | 40000 |
| TOTAL |  |  |  | 317,000 |

The business premises will be located at the second floor of Trance Towers, Mombasa Road Nairobi.

## **4.2 Production/Operational Strategy**

Production strategy constitute the value that will be incurred during production of the organization. Having knowledge of this value will be critical as it will allow the organization to know the selling price that they must place to avoid operating at a loss.

The monthly salary will be projected at; 325, 000; therefore, the overhead cost would involve

|  |  |
| --- | --- |
| **Item** | **Amount** |
| Rent | 150,000 |
| Electricity | 10,000 |
| Telephone Bill | 10,000 |
| Transport | 40,000 |
| Marketing | 50,000 |
| Premium Insurance | 15,000 |
| Miscellaneous | 20,000 |
| TOTAL | 295,000 |

Therefore, the total monthly operating cost would be projected to be; 620, 000/ =

## **4.3 Production/Operational Process**

1. Service Procedure

The clients will come to the premises and make a selection of any of the product they would want. Also, the client could make orders through the company’s website, make a payment and the product would be delivered to them.

1. Reception

The orders will be taken on the reception. Data of sales would then be keyed into the computer for inventory and information storage.

1. Delivery Services

The company will provide delivery services for any client who will want these services. Nevertheless, a delivery fee would be charged.

1. Payment

Payment would be made during the purchase in the reception. Both cash and banking payment will be allowed. Other forms of payment such as M-pesa would also be allowed.