

Business plan for Social Enterprise

Table of Contents

1.0 Introduction:.....	2
2.0 Description of the product:	2
3.0 Description of the Enterprise:	2
3.1 The Project Outline:.....	3
3.2 Mission and vision of the enterprise:	3
4.0 The service and the cause:	4
5.0 Marketing Plans:	5
5.1 STP:	5
5.1.1 Segmentation:	5
5.1.2 Targeting:.....	5
5.1.3 Positioning:	6
5.2 Marketing Mix:	6
5.2.1 Product:	6
5.2.2 Price:	6
5.2.3 Promotion:.....	6
5.2.4 Place:.....	7
5.2.5 People:.....	7
5.2.6 Process:	7
5.3 Competitor analysis:	7
5.4 Pricing Policy:.....	7
5.5 Investments and Capital acquiring Plans:	8
6.0 Financial Plan:	8
6.1 Budget:	Error! Bookmark not defined.
6.2 Cash Flow:	9
6.3 Projected Income and expenditure:	10
7.0 Conclusion and Discussion:	11
References:.....	12

1.0 Introduction:

This report is based on the business plan and frame work for the new social enterprise to address a relevant social issue and how to cover the issue with the business perspective. The paper will briefly introduce the program, the specification, the company, the different aspects of the business and the different affects of these on the society and the organization as a whole. Here the social issue is related to the Khat which is a drug and is widely used in different countries and places. Here he plan will elaborate to make the social enterprise a legal one and the effective one.

2.0 Description of the product:

Khat is a type of drug and is basically evergreen shrub of the family Celastraceae. Khat is mainly prepared from the *Catha edulis* tree. This drug is a major cultural phenomenon in certain East African countries, Yemen and Southern Saudi Arabia. Khat is cultured commercially in the mountains of Ethiopia, Yemen, Somalia and Kenya and naturally in Afghanistan, Turkestan, Tanzania, Zambia, Uganda, South Africa and Madagascar. (Belew, M., D et al, 2000) Khat chewing is traditionally a habit and is widely used in many cultural aspects in Yemen and some African countries such as Ethiopia, Somalia and Kenya, as well as among emigrants from these countries in different parts of the world like in UK, USA. In Africa, on the other hand, a different pattern of diffusion has emerged for the use of Khat. This drug can be legally purchased in many supermarkets in east London, Birmingham, Bristol and Sheffield. Traditionally Khat was used during festivals and ceremonies but significant change in the pattern of consumption of Khat has made it a less formal affair thus making it difficult to control the use of the substance. (Balint, G.A. and E.E. Balint, 1994) Studies show that Khat is partly responsible for high unemployment rates amongst these minority communities, with unemployment well over then national average along with shockingly low academic achievements.

3.0 Description of the Enterprise:

To address this issue and the program, a social enterprise named Green Leaf and it is based in London, UK. The society will primarily work on the awareness and health implication problems in the effected countries and doing so, it will also try to minimize the effects of the drug in the community. (ACMD, 2005) For this, the organization will have different marketing and social

awareness program and the major part will be on the online program named as The Green Leaf project. The green leaf project is an online campaign to spread awareness of the health implications in regards to, the excessive use of the drug Khat. (Belew, M., D et al, 2000) The online website planed to lunch on New Year 2014, will aims to provide information and support to families and friends of users.

3.1 The Project Outline:

The project is very community based we aim recruit speakers from the local community with knowledge of the topic e.g. community leaders, recovering addicts as well as representatives from governmental bodies such as The Advisory Council on the Misuse of drugs (ACMD) to go into schools, religious establishments and community centres generating awareness for the cause. The green leaf project will also trains and support drug outreach workers in understand how to deal with uses and conduct prevention work amongst teenagers from the east African community in the UK. (ACMD, 2005)

The online site allows visitors to create a personalized page to shear stories, information and events healed by the organisation. Membership givers users access to videos and real life stories of users whose family life, education and/or employment has been effected by the excessive use of the drug. (Belew, M., D et al, 2000) We also provide information packages and training courses for mothers to take part in regarding early signs of addiction to a number of drugs including Khat.

3.2 Mission and vision of the enterprise:

The mission of this enterprise is comprised of many objectives and the objectives related to the social issues and the effects on the people as well as the society itself. The mission statement can be consist of, *“The green leaf project’s mission is to contribute to communities in making a positive change in addiction to the drug Khat. The green leaf project campaigns to raise awareness of Khat’s negative effects to both, the individual’s health and social participation. We provide timely and useful information as well as online educational material, support to users and professional bodies. We aim to strengthen communities and empower individuals to take charge of their lives.”*

To complete the mission, there are objectives which are also to be addressed to and incorporated with the mission to understand and fulfilment of the mission:

- To create positive ties with community leaders and elders.
- Successfully convey information efficiently and clearly
- Engage young people through social media and online sources in recognising the problems caused by consumption of Khat.
- Raise awareness and provide detailed information for professional bodies on the effects of Khat.

4.0 The service and the cause:

Though Khat was once a recreational pass time, chewing according to many community members are taking over the lives of many men. A large number of men in the community are Unemployed, depressed, isolated, according to family members men are spend a large percentage both of their time and money in escaping from reality, chewing throughout the night till the next morning, and sleeping by day. (Belew, M., D et al, 2000) Recent surveys show that 76% of Khat users in the UK have admitted to use more Khat here in the UK then in their motherlands; in which more than half, 59% of young Somalis picking up the habit of chew Khat in Sheffield alone. (Drug Strategy 2010) Many families crumble due to it, people loss jobs because of it and in many cases Khat has become a gate way drug to many other narcotics such as alcohol abuse, high consumption of cigarettes while chewing, marijuana and cocaine. Although many of family members are not users of the drug, other people in the same community who suffer from withdraw symptoms when they go without the use of Khat. This introduces the question why the drug is legal in the UK. (ACMD, 2005) Why they don't introduce an age limit when selling the drug? This would at the very least protect children from gaining access to Khat at such young ages. Boys as young as fifteen and sixteen are imitating their seniors. The lack of knowledge regarding the harmful effects of Khat often makes it difficult to raise awareness. (Drug Strategy 2010) Therefore it's clear that the main barrier for health care professionals and drug awareness campaigns to spread awareness about the use of Khat is lack of information and training.

5.0 Marketing Plans:

The marketing plan includes different segments of marketing as such segmentation, targeting and positioning and marketing mix with the competitor analysis and the competitor understandings (Kotler, P. 2003).

5.1 STP:

STP stands for the basic concepts of the marketing and the customer orientation so that the marketing and the business can be directed successfully. The different aspects of this framework are mainly Segmentation, Targeting and the positioning. (Dickson, P. R. 1994)

5.1.1 Segmentation:

Segmentation is done on the basis of the product, service and the customers on which the company is directed. The different target segment is to be chosen appropriately and effectively. The enterprise here is mainly in the social aspects segment the company is segmented on the cause that is the awareness and the service towards the society. The different communities who use the drug product and the communities who are adversely affected by the product are mainly addressed by the campaigns and the enterprise.

5.1.2 Targeting:

Now, after the segmentation, the segmented group is targeted and the audience is addressed by the company for the products and the service available. The main target group is the different communities and the people such as The Somali community in Ealing, including refugees and asylum seekers, in particular:

- Young men who are either new chewers to Khat or have Khat chewers in their direct family.
- Mothers to educate them about the harms of Khat in order to, protect their young children from it.
- Youth organisations, health care professionals and governmental bodies to train them on the harms of the drug and how to push the message into the community.

5.1.3 Positioning:

After the successful segmentation and targeting, the organisation and the products are positioned in the market and the before the customers who are willing to try the product and the service. As this is just a social organization, the products are to be educated to the people in order to grow the business and the organization. The position of the organization is to be regarded with relevance to the objectives and the missions accordingly in order to establish in the mind of the customers.

5.2 Marketing Mix:

Marketing Mix of product and the service of this organization is important as this is the start up and the business is huge in terms of the covered area and the customer's base. (Kotler, P. 2003) The marketing mix includes the detailed information about the product, the service, the promotional plans and the people attached to these.

5.2.1 Product: There are different products for this organization as the service to the people by providing the training against the Khat affected and users. Also different types of merchandises like Shirts, T shirts, sweaters, key chains and different accessories with nice designs and logos like saying "Families against Khat".

5.2.2 Price: The price for the different products and services are different as per the aspects and the places. The different training programs are ranged from may be £150 for a max of 20 students. Also the merchandises are ranged from the £ 10 to £ 100 depending on the product and the design. The merchandises are sold online and in the programs at different venues.

5.2.3 Promotion: For promotion plan, there are several steps need to be in considered as the product is social and highly sensitive service among the different social class and the communities, the promotions should be well oriented and maintained. In terms of promotion, an online business can do quite well considering there is a lot of marketing opportunities though the internet. There are many different ways to promote the business at no extra cost. For example registering it with "Google Place" which is a services offered by Google for businesses to be found more easily when key words are entered on Google search engine.

The other promotional activities can be mentioned as starting a blog or putting up multimedia on YouTube. The Sponsorships, Banner ads on Web sites are to be given and some corporate

houses can be approached for the funding of these promotions. As the social enterprise, it will be easy to attract the corporate for the CSR activities and they can help more with the promotion. There can be road shows organised in the affected cities with the people who can give elaborate description of the adverse effects of this drug and the future harms. There can be seminars also in different schools and colleges in the affected area for the awareness of the issue.

5.2.4 Place: The place of this service is primarily online and the campaigns should be addressed in the affected areas as stated before. The East African and the Southern Arabian countries are not developed countries and they are not educated also to understand the effects of the Khat.

5.2.5 People: People like different communal leaders and doctors will be the people who will interact with the Khat affected people and the other families who are not very much in league with the use of the drug. Also there will be telephonic helpline for helping the people who wants to interact with the experts and the leaders for reporting their problems.

5.2.6 Process: The process includes the different aspects for presenting the company to the public and the corporate. Also the social issue should be addressed carefully and that's why it is also presented to the political and social activists and leaders to get better understandings and requirements.

5.3 Competitor analysis:

Though there are many drug awareness organisations set up in the UK who provide information on drug abuse and provide links with rehabilitation centres for clients to receive help, the Green Leaf will be different from many drug awareness organisations because the focus is put on Khat and because the limited number of published literature on the harmful effects of Khat is very limited. This organisation will be providing the market with essential in-depth information to a drug that is not mentioned often in the mainstream society and also the different aspects of the use of this drug.

5.4 Pricing Policy:

There are different pricing strategy and options mentioned for the products and service's price and the different pricing strategy for the merchandises can be opted from the competitors pricing or the perception pricing from the consumers. (Kotler, P. 2003)

5.5 Investments and Capital acquiring Plans:

For the initial capitals and the cash flow generation, there are different plans and opportunities for the organisation. Like there are online donations accepted from the different donors and social activists and the corporate. The website of Green Leaf is also treated as the source of the interaction and communication. The different related service clubs can also give the ads on the website for a fee.

There can be different training programs about the awareness and the usage of the Khat and it can be done with a fee also. The training program will cover health culture/tradition, history of the drug, symptoms and side effects. The program will include educational packs with all the material thought and provide a certificate in the end. Different global accreditation form institutions like World Health Organisation (WHO), International Narcotics Control Board (INCB) can be approached so that these training programs can be well accepted and valued.

Training programs may not be suitable for everyone. Some people might just want so brief information about Khat and don't need an in-depth look into it. Setting up an online donation icon for visitors of online site to donate for the cause will be also helpful. And as per the before stated options, there are different merchandises which can be made and sold to the different people in the developed society and the organizations for generating the cash. The merchandises can be made by the Khat victims themselves and the people who are willing to come out of these effects.

Lastly, Government and legal help is very much needed for the completion of the cause as the institute is dealing with sensitive issues and the programs and the campaigns are needed protection and preservation for sustaining in those areas. But it should be bear in minds, that while accepting the donations or advertisers, there shouldn't be any corporate of unaccepted image like the alcohol selling companies or the cigarette selling companies. This way, the people can get negative message from the activities and the reputation and acceptance can be drowned.

6.0 Financial Plan:

The financial plans includes

6.2 Forecasted Cash Flow:

A projected Cash flow has been prepared for the period of 3 accounting periods.

Forecasted Cash Flow	(Amount\$)	(Amount\$)	(Amount\$)
	Year 1	Year 2	Year 3
Cash from Operations:			
Revenue from ash Sales	211,700	434,000	540,000
Subtotal Cash from Operations	211,700	434,000	540,000
Additional Cash Received			
New Current debts	0	0	0
New short term loan obligations	0	0	0
New Long-term loans	0	0	0
Cash from Sales of Current Assets	0	0	0
Cash from Sales of Long-term Assets	0	0	0
New Investment availed	0	0	0
Subtotal Cash generated	211,700	434,000	540,000
Costs	Year 1	Year 2	Year 3
Expenses from Operations			
Spending of cash nature	125,300	102,000	100,050
Payments made for bills	120,450	153,006	100,050
Subtotal expended for Operations	102,100	205,855	300,457
Additional Cash Spent			
Principal Repayment of short term Borrowing	0	0	0
Repayment of principle amount for Long-term Liabilities	0	0	0
Purchase of Current Assets	0	0	0

Purchase of Long-term Assets	0	0	0
Dividends proposed	0	0	0
Subtotal Cash used in the business	101,200	300,644	448,895
Net Cash Flow	110,500	133,356	911,05
Cash Balance (closing)	30,203	\$75,316	123,400

6.3 Projected Income and expenditure:

The projected income and expenditure of the business organization has been prepared for the period of 3 financial years of business.

Forecasted Profit and Loss	(Amount\$)	(Amount\$)	(Amount\$)
	Year 1	Year 2	Year 3
Sales	211,700	434,000	540,000
Direct Cost of Sales	556,47	\$112,045	\$123,600
Other expenses	0	0	0
Total Cost of Sales	556,47	\$112,045	\$123,600
Gross Margin	156,053	\$321,955	\$416,400
Expenses:			
Salaries	23,006	22,300	24,005
Sales and Marketing and Distribution Expenses	20,500	18,500	14,500
Depreciation	9,500	9,500	9,500
Insurance Premium	1,200	2,500	5,600
Operational Expenses	56,750	95,600	68,540
Profit Before Interest and Taxes	45,097	173,555	294,255
EBITDA	45,097	173,555	294,255
Interest on debts	15,006	25,600	32,600
Taxes obligation	4,500	6,700	5,600
Net Profit	25,591	141,255	256,055

7.0 Conclusion and Discussion:

From the above plans and programs, and the different aspects in marketing and financial terms, it is evaluated as the social enterprise Green Leaf can be of major success if the company is guided in the right direction and the company needs to be with clear objectives to go with. The company is primarily focusing into social issues as the protection and measures against the Drug Khat in many countries. Now when organizing in different countries, the company needs to be aware of the different cultural and social aspects. Because the people who are demanding for the Khat use, they can give hindrance to the cause of the company and there might be some activities against the organisation. Also the people who are attached to the company should be socially and culturally respectful persons along with the positive corporate partners for good brand image and capability.

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