

**BUSINESS PLAN
PERFECT PRIVATE SCHOOL**



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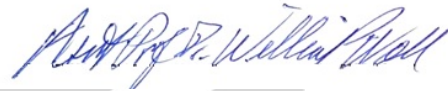
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EXECUTIVE SUMMARY

Our business category will be classified as education sector. Basic education is important for development period of Myanmar. It will be seem more important to private school sector of education for success of education sector as the political and economic changes. In current, government also welcomes private sectors to invest in education sectors. Private school sector for basic education is becoming popular in the field of student learning. Therefore, Perfect Education Private School goal is to be a best and reliable education service provider in fulfillment of parents' desires for their children education by offering quality and reliable learning environment with skillful teachers. Perfect Education Private School will be offering education service for middle and high level for basic education. Our school will be family owned and operated by Dr Thet Min who has managerial experiences in education services and still holding M.B.A degree at Yangon University of Economics.

We expect to catch the interest of potential and loyal customer with good brand image while offering services in relaxing and comfortable atmosphere. We would establish regular customer in middle and high income class based, and will therefore concentrate its business and marketing on local customers, which will be the dominant target market. This will generate a healthy, consistent revenue base to ensure stability of the business. Perfect Education Private School will be leasing a 80 square feet space located at Bayinnaung Road in Shwepyithar Township. There are approximately In Shwepyithar Township, there are the state school and the private school for basic education. According to the state school, there are (43) Primary schools, (6) middle schools, (4) High schools and (4) Sub-High school. Although there are (9) private schools, the larger commercial private schools, such as Aung Thukha, Bawa Thit, and Kaung Su San have a majority of the market share. Our primary competitive advantages are the location which is near school, market and visible building for attracting potential customers but also strategic point for marketing; quality driven teaching and modern infrastructure of school.

Perfect Education Private School expects to earn a profit by year two based on our projected sales. In our sale projection, school net will lose with (61161) in year1.

However, revenue will increase with increasing number of students and it will reach to \$245600 with net income \$20454. Net income is projected to reach \$ 47172 in year 3 because sales increase and operations become mature level as well as more efficient.



CHAPTER 1

INTRODUCTION

1.1 Business Background

Perfect Education Private School is a best private school that is located in Shwepyithar Township, Yangon, Myanmar. We will offer education services for middle and high level of basic school education. We will provide self learning atmosphere with enough learning aids. We will give the critical thinking and creativity thoughts to the students and outside-tuition free. We will fulfill all parents' desires for their children education success.

Perfect Education Private School is a sole proprietorship LLC 100% owned by Dr Thet Min who has managerial experiences in education services. The type of business entity he choose, sole proprietorship, will depend on three primary factors: liability, and control. It's easy to form and offers complete managerial control to the owner. However, the owner is also personally liable for all financial obligations of the business. He is business person. Recently, he is running several education services to students who want for abroad learning. He has vision and mission to success the school in future. In Perfect Education, he is responsible as Director. Our school's principal, Daw Nwe Ni Tun has several of experience in basic education. She is a disciplining person and administrates teachers and students in discipline. And also, she can handle the whole academic process as well. On the side of administration, Daw Nang Heart Heart Hom Hseng who is currently attending the degree of M.B.A from Stamford International University with competent abilities in management, take the General Manager position at Perfect Education Private School. She will take responsibilities in management as well as external relationship of organization.

1.2 Mission

The mission statement of Perfect Private School is to “Be the partner of choice for parents to train your children to be disciples for good citizen through excellence in spiritual, academic, social and physical instruction.

1.3 Vision

Our vision is to become and remain the best and most reliable education service provider in fulfillment of parents' desires for their children education by offering quality and reliable learning environment with skillful teachers.

1.4 Philosophy

As we are offering education service, we believe that

- Every student has different knowledge, skill and abilities and we have to know them in their life.
- Education is the important knowledge asset for everyone.
- Providing the quality and reliable education services is good aids for the students to arrive the self-learning age.

1.5 Strategy and Goals

In achieving our mission and vision, we will create value through our services such as following:

- High qualified and skillful human resource for providing service
- Efficient and Effective learning materials
- Best services for students
- Marketing and promotion for brand awareness and attract potential customers
- Pricing strategy for competitor
- Communication skills of teachers
- Convenient location and ease of transportation
- Health and Safely environment
- Quality Assurance

The specific goals can bring the organization clearly for the future. Therefore, we have our goals to succeed and competitive advantages.

(a) Providing the best quality education services to the students (customers)

We are thinking continuously for the students' development in education. In improving learning skills of students, we will continuously searching the ways in offering best quality education services to our students.

(b) Building the value relationship with customer

We are building the long term relationship and loyalty with our customers so that we will build trust and value with customer. Therefore, we will continuously improve our quality driven services to meet stakeholders' expectation.

(c) Expand our business trend in ten years

In short run, we set the goal to increase the enrollment of students year by year. In addition, we will perform to awareness of brand in public. For long term goal, our private school would be able to expanding with more branches in Nay Pyi Taw and Mandalay. And also, we hope to extend in international education within ten years.

1.6 Logo and Slogan

Our Perfect Education Private School' logo is designed as follow. This logo is only for the Perfect Education Private School, Myanmar.

Our Slogan, "Be competent person together with Perfect Education"



Figure 1.1 Logo of Perfect Education Private School

1.7 Business Model

Business model canvas can be used to evaluate our school according to its inner logic and content.

Table 1.1 Business Model Canvas

<i>Key Partners</i>	<i>Key Activities</i>	<i>Value Proposition</i>	<i>Customer Relationships</i>	<i>Customer Segments</i>
<ul style="list-style-type: none"> • Students • Parents • Teachers • Local environment • Governmental bodies • Professional bodies 	<ul style="list-style-type: none"> • Teaching and learning • Competence development • Assessment • Knowledge sharing • Course content creation • Community building 	<ul style="list-style-type: none"> • teaching and learning goals • special curricular themes (language, talent development, math) • Quality teaching and infrastructure 	<ul style="list-style-type: none"> • Customized service • Daily communication • student-parent meeting 	<ul style="list-style-type: none"> • Students in Middle and High income families. • Parents • Teacher • Local environment
	<i>Key Resources</i>		<i>Channels</i>	
	<ul style="list-style-type: none"> • Advanced technology • Teaching and learning materials and infrastructure • Professional teachers and staffs • Financial resource 		<ul style="list-style-type: none"> • Personal communication (word of mouth, meeting, etc) • Written communication • Online communication • External communication (social activities, advertisement, media) 	

<i>Cost Structure</i>	<i>Revenue Streams</i>
<ul style="list-style-type: none"> • Salary for management teams, teachers and staffs • Facilities and infrastructure expenditure • Learning materials expenditure • maintenance cost • Marketing cost 	<ul style="list-style-type: none"> • School fees by monthly • Parental contribution • Registration fees by monthly

1.8 Competitive Advantages

Perfect Education Private School's competitive advantages are location, quality driven teaching and school infrastructure.

Location

Perfect Education Private School is located at Bayinnaung Road, (8) Ward, Shwepyithar Township. Bayinnaung Road is one of main roads in Shwepyithar Township. We choose this location because of strategic location. It is near school, market and visible building for attracting potential customers but also strategic point for marketing. Everyone who across through the road can see the physical evidences of the schools and we can get customer awareness.

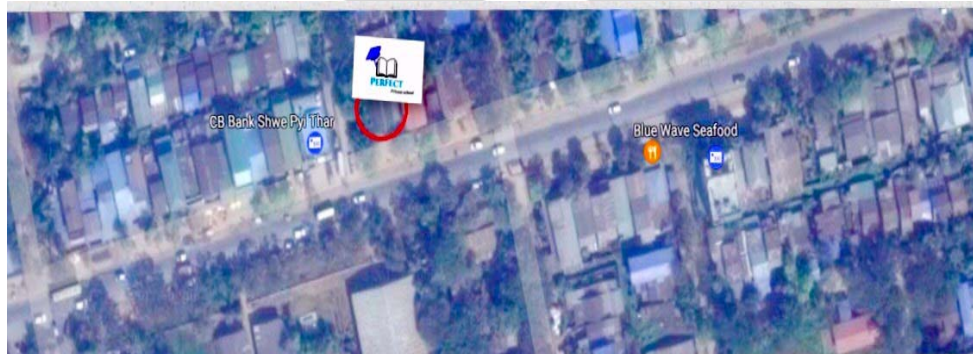


Figure 1.2 Location map of Perfect Education Private School

Source: Internet,googlemap,2017

Quality driven teaching

Our schools may be able to serve niche markets by more effectively targeting their pedagogical approach to the needs of particular families they aim to attract. This method could lead to our school that aims to differentiate from other public and private schools. In addition, the currently used quality initiatives seem to aim to improve teamwork between teachers, goal-setting and course plans.

School infrastructure

Our school classrooms structured learning takes place with groups of students. Learning can also take place in a variety of different types of spaces - tents, temporary shelters, plastic sheeting, shade of trees, places of worship, people's homes, and so on. Moreover, families and communities expect formal education to take place in classrooms that have been designed for safety and comfort.

CHAPTER 2

OPPORTUNITY ANALYSIS

2.1 Current Education System In Myanmar

In Myanmar, private and state education were adopted in basic and higher education in the immediate post-independence period from 1948 to 1962. In the socialist era (between 1962 and 1988), private institutions were eliminated and the State dominated only. And then, private schools, which emerged since the 1990s, have developed as businesses and are not necessarily regulated by the Ministry of Education. In fact, the Ministry of Education expects all Myanmar children to be registered in state schools. Private provision is accepted only over and above state education, with the exception of international schools. The education system was one area of the key policy priorities formulated by the government and became the importance investment in education. Education expenditure had been increased from 0.7% of GDP in FY 2010-2011 to 2.1% of GDP in FY 2013-2014. The government expenditure on education was significantly less than 1% of GDP compared to the past ratios to overall GDP. In FY 2013-14, the total government budget expenditures in education was spent about two third for basic education and remaining for higher education. Educational policy was centralized at the level of the Ministry of Education in Naypyitaw. The major departments within the Ministry were: Basic Education I, II and III; Educational Planning and Training (which is primarily responsible for short- and long-term planning and training for primary and lower secondary teachers in the education colleges); Higher Education (Lower Myanmar); Higher Education (Upper Myanmar); Myanmar Board of Examinations; Myanmar Education Research Bureau (MERB); and Myanmar Language Commission. Implementation of the basic education policy is split between two departmental offices under the Ministry of Education (MOE), one in Mandalay (for Upper Myanmar) and one in Yangon (for Lower Myanmar). A third office is in charge of Yangon City schools. These three departmental offices and the Department of Educational Planning and Training administer and manage basic education in accordance with the directives of the Basic Education Council, which includes the

Basic Education Curriculum, Syllabus and Textbook Committee and the Teacher Education Supervisory Committee. The basic education system practicing in Myanmar is 5-4-2 structure of the education system; five years of primary education, four years of lower secondary education, and two years of upper secondary education. This 5-4-2 structure of the education system is reviewing and discussing at The PyithuHluttaw be replaced by a 6-4-2 structure. Primary education in Myanmar normally begins at 5 years old, which is low by regional standards. Primary school consists of grades 1–5, and is followed by 4 years of lower secondary education or “middle school” (grades 6–9), and 2 years of upper secondary education or “high school” (grades 10–11), meaning that primary and secondary education is below the international standard of 12 years. The Ministry of Education plans to reform the structure to add kindergarten (in the international sense) and a third year of high school (moving from a “5-4-2” system to a so-called KG-5-4-3 system) with completion expected by school year 2021/22. The basic education curriculum, syllabus and textbooks have been revised to reduce the content that may lead to overload for teachers and students but consider without affecting its quality. Government planned to initiate the basic education structural reform in AY 2015-2016 to improve quality of education. Discussion and consultation meetings on reforms in higher education and develop a quality school curriculum have been organized recently. The Private School Registration Law was enacted in December 2011 Everyt private schools must follow the national curriculum and are allowed to open officially across the country. The authorities have basically stipulated that private schools shall teach subjects similar to the curriculum prescribed in public schools, while allowing them at the same time to teach additional subjects so as to eliminate private tuition. In AY 2013-2014 the number of private schools established was 159, most of which were high schools. Today, private schools have sprung up at pre-elementary, elementary, secondary and higher-education levels to cater to the popular demands of the market in English language, computing, accounting and business-related training

2.2 Significant Growth Into Offering Private Education Service

The needs of higher education in Myanmar are extensive. The entire system requires nothing less than a complete renovation – from the physical infrastructure to the academic curriculum. Due to the nature of the political environment over the last two-plus decades and its deleterious impact on the education system, universities in Myanmar lack the intellectual vitality and scholarly vibrancy so often associated with Western education institutions and most of their Asian counterparts. It is hard to imagine that Myanmar's higher education system once stood out as one of the exemplars across the entire Asian region.

Today, however, modernizing the higher education system in Myanmar will require more than just upgrading buildings, classrooms, and related physical infrastructure. The more pressing need is to re-establish across the spectrum of higher education organizations a new type of totally integrated living-learning academic experience that generates fertile discourse and critical academic engagement outside as well as inside the typical academic classroom.

Some private institutions offer foundation programs for higher education studies. Some private schools advertise that graduation after 2 years confers a UK Higher National Diploma (HND), operated by the UK Examinations authority Edexcel. Legislation for the creation of a private higher education sector is currently under development.

As reforming of education system in Myanmar, the greater challenges in quality of education have, the more increasing of private schools are needed.

2.3 People Perception On Private School

Nowadays, most of parents highly involve and participate in their children's education through choosing the school they attend carefully. Parents typically chose a school, according to convenient location where they live. However, the particular parents were able to exercise state school choice because of specific educational policies and school fees. Parent made the choice on private versus state school tends in terms of education level, family income, and race. All parents naturally aspire the best for their children in term of education. This includes the parental responsibility to

safeguard and promote their child's health, development and welfare in their child's best interests. In the private school arena, parents indicated they chose private schools for academic reasons (quality), because they dissatisfied state school and wanted for elimination of tuitions. Some of parents made the choice based on the promise of smaller class size as they believe that it will provide better control to get educational quality. Nowadays, parents tend to be more involvement in their children's education, and put emphasis on academic outcomes such as how student achievement on examination get. Most of parents were becoming educated people and they had higher value on educational attainments goals. Those parents send their children to a private school although private school fees were expensive than state school. In choosing private schools, parents and students are interested in services provided by private school. Private schools provide the education of children and also the physical and mental development exercises. They give the students how to live in the social network relationship. Parent believed that private school can train their children to get multiple skills. Therefore, parent realized the importance of basic education and choosing the right place in order to improve development of intelligence and support in their entire life.

2.4 Private School Registration Law

The PyidaungsuHluttaw enacts the Private School Registration Law at 2nd December 2011. According to this law, Private School means the basic education school established by private, to promote the efficiency of education, giving training according to the curriculum and subject contents of the Ministry of Education or the additional lessons for those curriculums. The necessities for establishing private school are mentioned in Section (7).

For establishing a private school:

- (i) it shall not be a funded by the foreign State;
- (ii) it shall not be a established by foreign organization or such organization's aid;
- (iii) it shall not be a missionary school.

The person who wants to establish private school shall be in compliance with below:

- (i) shall be a Myanmar citizen if it is established alone;

(ii) if it is established by an organization, all executive members shall be the Myanmar citizens.

For establishing a private school, it shall be covered under mentioned requirements:

- (a) have plan to open basic education primary school, middle school or high school;
- (b) shall be cleanliness and healthiness within compound and environs of school and classes;
- (c) the building shall be suitable for using as a school;
- (d) shall have sufficient space for students and age-wise, sufficient furniture for number of students, enough teaching aids, assembly and recreation center;
- (e) to draw complete scheme for additional curriculum;
- (f) there must be sufficient teachers for various subjects in every class;
- (g) to draw weekly teaching plan systematically;
- (h) if there has boarding house,
 - the building shall be suitable for a boarding house;
 - to provide boarding house separately for male and female students, providing with security fencing;
 - to provide warden for every boarding house;
 - to provide plans for emergency health care;
 - to provide a healthful-mess.

2.5 Economic Outlook

Myanmar has the potential growth for education sectors because of big political change. There are many opportunities for local business to extend their business line or expand their business to different countries. In addition, government enacted the Private School Registration Law in 2011. Therefore, there is chance of new business form as private school. Establishing private school with quality driven teaching and social improvement skill is an effective way to reduce parents' anxious for their children education. Through better education, social problems associated with uneducated can be reduced in long term. On the other hand, the demand for private school is increased in Myanmar. Today, parents are searching for private

school ensuring for their children' education. Therefore, the income flow and profitable revenue will be positive for private schools.



CHAPTER 3

FEASIBILITY ANALYSIS

3.1 Product/ Service Feasibility

(A) Product / Service Desirability

Education provides human resource with knowledge about the world. It guides the way for a good career. It helps to build good character for society community. It leads to enlightenment of people. Moreover, the foundation of a stronger nation is education. Education makes a man complete. It means that education is the door to open for a better life of people. The education is importance for society. The role of improved schooling would be a central part of most national development strategies.

The social objective of education is to complete the socialization process of people. The schools have come into being in place of family to complete the socialization process. The school is the second home for children. Education aims at the reformation of attitudes wrongly developed by children already. For various reasons, the child may have absorbed different attitudes, beliefs and value, loyalties and prejudices, jealousy and hatred etc., to be reformed their behavior. Therefore, parents are willing ready to invest the school in which could give a good knowledge and education for their children' future. Private schools have reputations for maintaining high standards for discipline and respect. Lower teacher-to-student ratios allow for more effective observation and control of school grounds. Private schools could also discourage dangerous behavior. In addition, parents believe that instructors are both qualified and passionate about their subjects, often holding advanced degrees in their field at private school. Within the private school community, students have close relationships with their teachers who commonly act as role models.

Education provides the adolescent for earning his livelihood in future. Today, education has become more than an instrument of livelihood. Education must prepare the student for future occupational positions. Nowadays, parents want the school that can give the creativity and critical thinking skill in order to be independence life of their children. They believe only private school may give these skills and social

relationship skill. Therefore, parent who are middle and high income level put their children' education at private school.

Although private schools offer the core subjects required by the national curriculum, they could offer students a wide range of specializations including arts programs, athletics, math, science. Private schools are responsible for producing many leaders in politics, business and society, with a history of adapting quickly to changes in technology and culture. And today, Parents with special needs such as behavior or learning disabilities seek the private school.

In the side of government, education encourages participant democracy. Participant democracy in any large and complex society depends on literacy. Literacy allows full participation of the people in democratic processes and effective voting. Literacy is a product of education. Educational system has this economic as well as political significance. Education can be a way of solving problem of illiteracy of a nation and also help to develop. Therefore, government fosters the private school and enacts the Private School Registration Law.

A growing number of parents of special-needs children choose the option of private schools, instead deciding to send the public school. It can be concluded that education service of private school are desirable for most of parents.

(B) Product/service Demand

There is increasing demand for private school in Myanmar. The achievement of education objectives tends to lead the importance of the role of private schools. In addition, basic education curriculum and the aims of basic education are importance for national development. Hence, the role of having educated and competent persons are in high demand in Myanmar.

Private school refers to any educational institution established and operated by persons or groups of persons other than the central or local governments. The proprietors of private schools have been attracted to make some profit on their investment. Some entrepreneur extends their business line by investing in private school. New trend create the individual parents to be interested in private school

education. Therefore, there is a moderate level of demand in private school education so that private school establishment is a beautiful niche market for entrepreneur.

3.2 Industry/ Target Market Feasibility

Industry Attractiveness

In Myanmar, most of parent are educated and more interested in their children' education. The culture and priority of parent is changing. They believe that education is the door to open the intelligence development. They become more consider for their children education and better career professional. They believe that only private school can give the critical thinking and other abilities such as language, arts, sports and etc. To understand industry attractiveness, Porter's five forces analysis is undertake for Perfect Education. Five Forces approach is illustrated in Figure 3.1.

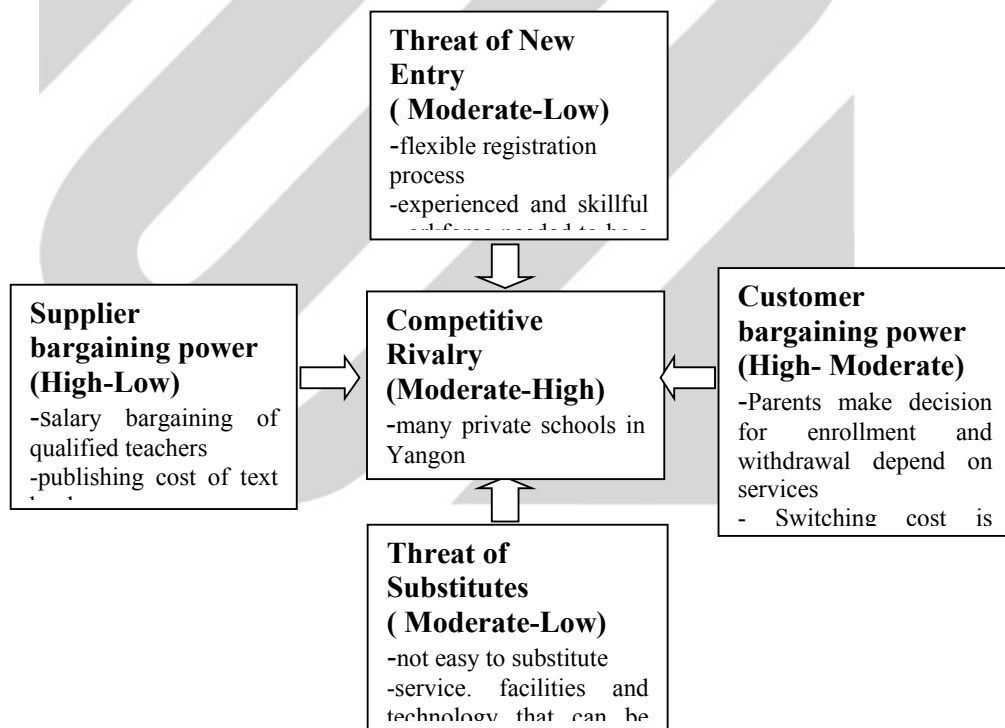


Figure 3.1 Porter's five forces Analysis

Source: Nang Heart Heart Hom Hseng, (2017)

Threat of Substitute (Low-Moderate)

The availability of and the demand for substitutes for middle and higher of basic education is increasing. Increasingly, most of employers are offering these ongoing training needs in-house or with third party suppliers. There is also an increase of new courses and other professional course available to students of all ages beyond the traditional basic education programs. Substitutes of basic education may be by offering non-degree certificates to satisfy demands of the business community. However, this treat cannot too much effect on private school because we target for middle and high income level parents and students who are interested in quality education. They believe that private school assure the quality education for their career life.

Threat of New Entrants (Low-Moderate)

Higher education in Myanmar was viewed as having a competitive market structure with low barriers to entry, slightly differentiated offerings, and, somewhat, limited control over the tuition rates charged. Higher education has grown significantly over past decade. The initial investment is high for establishing a quality private school. Government also controls the quality and standard of private school. Although getting license for private school would not be easy, registration procedures are flexible. Because of low barriers to entry, the threat of new entrants into the market is relatively moderate.

Bargaining Power of Suppliers (High- Low)

The main suppliers are qualified teachers and experienced staffs. The biggest supplier power in private school is highly skilled human resources in form of lecturers, staffs and administrators. The teachers have a great deal of power. The power of teachers will, however, depend on reputation of the school and the discipline. Moreover, the major concerns for private school are facing with budget cuts since increasing operational expenditures. Funding pressures are also fostered by students' demand for lower tuition and registration fees. Another supplier is textbooks publishers as they can bargain for faculty time and unit cost.

Bargaining Power of Customers (High-Moderate)

Parents are customers for the private school and their bargaining power is high as they have many options in school industry. They request the high quality service, reliable and suitable education for their children. They could choose from the multi options to those one that accommodate their preference, lifestyle, schedule, budget, and value. Private school should acknowledge this bargaining power of parents as a threat to competitive advantage and develop a strategy that response a broader audience for long-term competitive sustainability.

Rivalry among the Existing Firms (Moderate-High)

Rivalry in private school industry will increase in the future due to entry of new low cost into education industry. Current private school will become more competitive. Distance learning removes the capacity constraints that public schools have traditionally operated. This may lead to increased competitive rivalry between private schools as geography becomes less of a constraint. Rivalry campaigns among competitors bring to price discounting, new service introduction, advertising and service improvements. There is a big market in Myanmar as Myanmar parents are eager to invest in their children's education to get quality education. Therefore, the increasing number of private schools appears in Yangon, Mandalay, PyinOoLwin and Nay Pyi Taw. As competitive market of private school, they are trying to get new customers and their loyalty. The intensity of competitive rivalries amongst private schools has led to full scale marketing efforts including newspaper, print, radio, television, and the Internet to attract customers. Competitors are trying to specialize on new educational methods and learning aids. Some private schools offer the language skills and math. Private schools compete head to head for each percentage of market shares. As Perfect Education Private School, we must implement strategic marketing to grow our brand name.

Professionals in education and business should take advantage of the changing education trends of Myanmar. The private school market is as bridge link between basic education and higher education. The business can extend to the line of international education for higher academics. Private school industry has viewed as a

boom of new entrants (for-profit and non-profit) and substitutes for private school are becoming rare. The bargaining power of buyers (parents and students) has increased while the bargaining power of suppliers of private school has increased. Finally, the intensity of rivalry amongst private school is all time high. This market is fighting for market share (local, regional, national, and global).

The management team of Perfect Education Private School was in conducting a SWOT analysis for Perfect Education Private School. Summary from the result of the SWOT analysis are as follow.

Strengths

School infrastructure and environment: Campus of Perfect Education Private School is broad and wide. School atmosphere is creating happiness of students to learn the lesson freshly. The school provides the playground of basketball to help physical development. The advanced learning aids and media help for general knowledge and intelligence development and foster the understanding of lesson practically. The maximum capacity of a class is limited to 15 students, this helps in improving student-teacher interaction.

Flexible school fees: Perfect Education Private School would implement greater quality with low cost for customers. We target the middle level and high income level parents so that we will collect school fees month by month. Therefore, parents can be able to send their children to private school. Monthly installment plans are our strength ahead of competitors because we consider that flexible school fees can attract the parents to choose our school for their children.

Experience in unique teaching style and management team: The Perfect Education private school would apply the particular teaching style, such as integrating each child's interests and abilities into the teaching method, with experienced teachers. Perfect Education private school' strength lies in the power of management team and workforce. We have a team with excellent qualifications and experience in the educational sector.

Weaknesses

Brand awareness: As start business, people will not know our brand and services. We might take some time for our school to penetrate into the market and gain market share through reputation in private schools industry. This is our major weakness.

Data availability, integration and alignment: Many private school across various township and divisions highlighted the difficulty of both obtaining needed data and aligning data across the institution in order to measure performance and conduct continuous improvement.

Opportunities

The opportunities in the education of private schools industry is considering the number of parents who would want excellently well in their children education and go ahead to be admitted in International Universities and Professional Institutes. As a standard private school, Perfect Education Private School takes advantage of any opportunity. There are clear and detailed information concerning with opportunities in Chapter 2: Opportunities Analysis.

Threats

As every business faces a threat or challenge at the life cycle of the business, the threats can be external or internal. Some of the threats of a private school in Myanmar are unfavorable government policies that might affect private schools, the arrival of a competitor within our location of operations and economic condition that affects spending / purchasing power of parents. Today, there are many branches of well-known private schools in Yangon, Mandalay, NayPyi Taw and so on. Those schools are competing in services, marketing techniques and school facilities in order to attract the customers. The competition is a threat for new start of private school.

Target Market Attractiveness

Target Market Segmentation

Geographic -Shwepyithar Township, Yangon District

Demographic

- Age : 10 years to 16 years (consumer/students)
25 years to 55 years (customer/parents)
- Gender : Both male and female
- Family size : 1-3, 3-5, 5+
- Income : at least \$ 500 per month for each working individuals in household
- Occupation : Merchant, trader, business owner, top level/ senior manager
- Social class : Middle and Upper class

Psychographic

- Reading stages: Individuals who believe education is important for everyone and necessary tools for career life.
- Personality Traits: ambitious
- Lifestyle : Education-oriented, business oriented. Succeeder: Strong goal orientation, confidence, work ethic, support status quo, stability.
- Opinions, attitudes, interests and hobbies: informed, interested, desirous, intending to buy
- Degree of loyalty: high and moderate loyalty customer and repurchase our service with good word of mouth
- Occasions : Regular occasion,

Behavior

- Benefits : High quality service with standard education

-Decision roles : Initiator and influencer (Relatives, family members, friends who have experienced and good relationship with the school.)

-Customer status: First-time customer and regular customer.

Target Market

As private school, it serves mostly those that are aged within 10 to 16 years toward middle school and high school education. Secondary target market should include educated families with a total household income in the middle to upper level, who live within Shwepyithar Township. The Myanmar family's culture is different from western countries. Family member are very close and living three generation together in the same house. Members are supporting and kind each other within family. Therefore, we can target middle-high class families as the grandparents and relatives sometimes support financial aids. Middle and high society's characteristics would be educated, knowledgeable and position with enough salary for children education. At Shwepyithar Township, there are many local business such as stores, restaurants, supermarkets, hospitals, construction material shops and so on. Therefore, we can target those people by geographically as well as demographically. We target the parent and the students who live in Shwepyithar and who is ambitious in education and learning, loyalty behavior because we penetrate our new private school with differentiation and low cost structure compared to main competitors. Thus, our customer would have attitude to be informed, interested, desirous, intending to buy. In Shwepyithar township, most of parents have education oriented and they are mostly governmental staff (higher level) and retired. They have intention to invest in education for their generation.

Target Customer Analysis

Our target customer will be families in which both working parents as well as single parent in Shwepyithar Township. Those target group would be educated and want high quality education assure that of their children future career. We are focusing those people to offer good quality educa

Target Market Size and Demand

The location of Perfect Education Private School is in Shwepyithar Township. This township is the large compound area among the others township. Shwepyitha township is located at North Latitude between (16) degree and (16) minutes and (17) degree (6) minutes and at East longitude (96) degree (4) minutes and (96) degree (4) minute. Shwepyitha Township is located in the northwestern part of Yangon, Myanmar. The township comprises 23 wards and 4 village tracts, and shares borders with Htantabin Township in the north, Mingaladon Township in the east, the Yangon river in the west, and Insein Township in the south. The area of Shwepyithartownship have 2576 square miles. The population size in Shwepyithar township is 265577 (persons) or 56277 (households). The following table shows the detail:

Table 3.1 The population size of the Shwepyithar township

No	Facts	House	Household	Ward	Village tracts	Village
1	Urban	43950	47587	23	-	-
2	Rural	7916	8690	-	4	-
	Total	51866	56277	23	4	-

The income per capita for Shwepyithar township is (1518940 mmk) in 2013-14, (1784116 mmk) in 2014-15 and (1945730) in 2015-16. In Shwepyithar township. there are (1) public banks and (3) private banks. The unemployment citizens in Shwepyithartownship are 24282 persons and 121876 persons have employment. The 146158 persons of remaining are employable. The employment of Shwepyithar citizens according the industry sector are as follow:

Table 3.2 The occupation of the Shwepyithar township

Facts	Government servants	Service	Agriculture	Farmed	Selling	Industrial	Fishing	Casual	Others	Total
Persons	1883	25664	993	3448	21627	779	-	41413	19069	121876

Our target populations according to ageing group are 10 to 16 years and 25 to 55 years old. We focus more on elder group because they are decision maker for purchasing services.

Table 3.3 Age dispersion in Shwepyithartownship.

No	Facts	Over (18) years old	Under (18) years old	Total
1	Urban	163091	62071	225162
2	Rural	29913	10502	40415
	Total	193004	72573	265577

In Shwepyithartownship, there are the state school and the private school for basic education. According to the state school, there are (43) Primary schools, (6) middle schools, (4) High schools and (4) Sub-High school. The total students are (41772) persons and the teachers are (1243) persons. We target the students of middle and high level of basic education.

Table 3.4 Number of Students in Shwepyithartownship.

Type of School	No of schools	No of Students	No of Teachers	Teacher-Students ratio
Primary	43	16522	519	1:31
Middle	6	7507	185	1:40
High	4	17745	539	1:32
Sub-High	4			
Total	57	41772	1243	1:34

Competitors Analysis

School industry is the growth market in Myanmar and people are willing to pay for education. Therefore, we should make our services differentiate from the competitors. Within Shwepyithar Township, there are (6) middle schools and (8) high schools. Recently in private school for basic education, there are 9 schools: AungThukha, BawaThit, Cherry Yeik, Khant Kaw Pan, Kaung Su Aung, Kaung Su San, Kaung Su Thar, Myint Mon Yeik (1) and Myint Mon Yeik (2). Among them, the

main competitors are AungThukha, BawaThit and Kaung Su San private schools. We are same industry, same geographic area and same target market with them.

Direct Competitors

To build competitive advantages, we analyze the competitors by their services, facilities and curriculum. We need to benchmark their competitive strengths. AungThukha, BawaThit and Kaung Su San private schools occupy the majority of market share in Shwepyithar Township. They are competing for better services and education services for middle and high level of basic schools.

Table 3.5 Competitor Analysis

	AungThukha	BawaThit	Kaung Su San
Established year	2013	2014	2014
Location	Shwepyithar	Shwepyithar	Shwepyithar
Level	Middle and High school	Middle and High school	Middle and High school
School Fees (US\$)	\$250 per month reg \$100 for middle \$350 per month reg \$100 for high	\$300 per month reg \$100 for middle and \$400 per month reg \$100 for high	\$120 per month reg \$80 for middle and \$220 per month reg \$80 for high
Curriculum	Curriculum prescribed in public schools	Curriculum prescribed in public schools	Curriculum prescribed in public schools
Teachers	local	local	local
Facilities	Library, Computer rooms, playground	Library, arts class playground	Library, playground
Special Services	Physical development program	medical services	English language course
Branches	1 campus in SPT	1 campus in SPT	1 Campus in SPT
Focus	Pass the exam with distinction	Pass the exam with distinction	Pass the exam with distinction

Indirect Competitors

Indirect competitors may be not offering private school services but complementary to us. They are public schools or state schools, home teaching service and external tuitions. They do not possess the facilities of private school but parents

can choose this option as another alternative. Private schools provide an alternative option for parents who are dissatisfied with public schools.

Future Competitors

The private schools business industry is profitable motives and has a lot of potential customers. Changing life style and value of Myanmar, profit trend of private school is favorable. Proprietors of the unrelated industries are interesting to establish and invest in education.

Target Market Positioning

According to Kotler and Armstrong (2006), market positioning is arranging for a product/service to occupy clear, distinctive and desirable place relative to competing products/ services in the minds of target customers. We will consider position in the target market. Perfect Education Private School will position as a best services in the market and inspire customers with satisfaction. Competitive strategy is used with differentiation strategy. Adapting to that differentiation is the inevitable price of productivity, high standards, and fairness to the students. Curriculum differentiation is a broad term referring to the need to tailor teaching environments and practices to create appropriately different learning experiences for different students. Adapting the curriculum to meet the unique needs of learners by making modifications in complexity, depth, and pacing. One way to achieve this may be to produce different sets of worksheets or exercises depending on students' abilities and Differentiation of the resource apply a wide spectrum of materials to be assisted by advances in technology, and the use of educational video in the classroom including delivering the material to each style: visual, auditory and kinesthetic and through words. Perfect Education also provide the different texts, experiments, methods (manipulative).

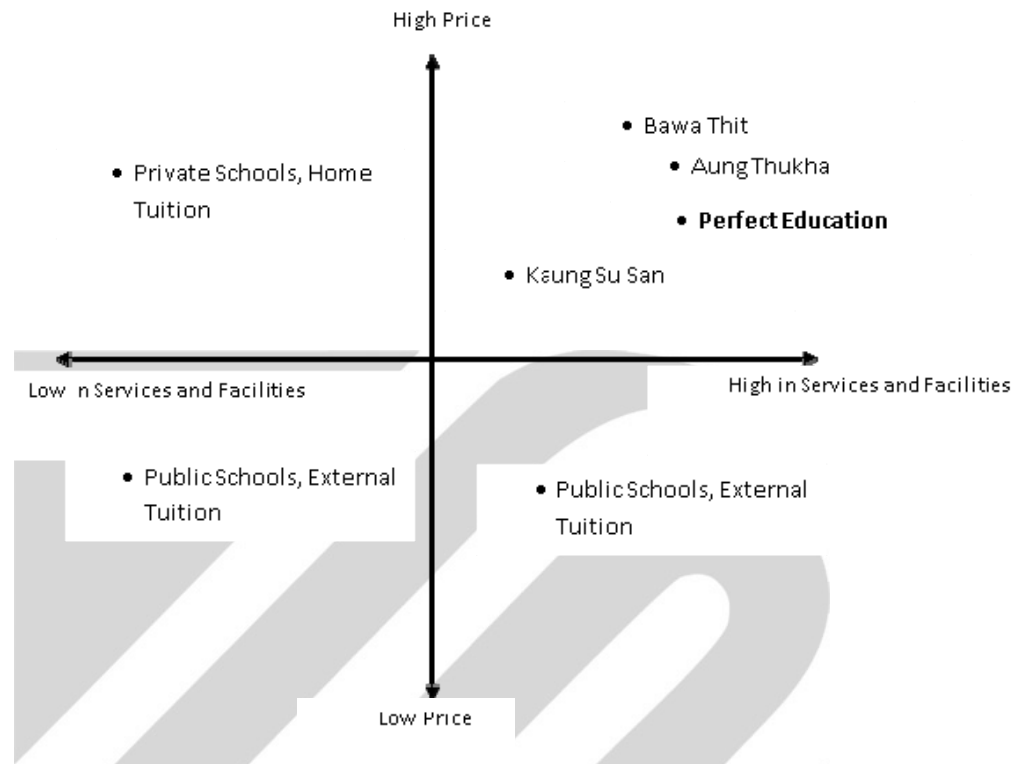


Figure 3.2 Positioning of Perfect Education Private School

Source: Nang Heart Heart Hom Hseng, (2017)

We prepare Perfect Education Private School as well-known private school by providing services for middle and higher basic education such as AungThukha, BawaThit and Kaung Su San. We offer services to students with experienced teachers and academic guides. We use the advanced technology teaching aids to understand clearly and practically the lessons. All classrooms are air conditioned and refreshable atmosphere and we care safety of students. Therefore, we put Perfect Education in position of high value and high quality. However, as the initial stage, it is difficult to reach high quality and high cost as we do not have the name awareness of customers. But, we will design the strong marketing plan especially in promotion and sales plan. We will attract the students and parents with promotion plan and reasonable pricing. We hope that the expected customers will get due to our marketing plan. At the initial entry, we enter the market with low cost compared to main competitors: Bawa Thit and Aung Thukha. Making our business more profitable involves looking at ways to

increase sales revenue as well as decreasing costs. We recognize and reward staff contributions with staff performance reviews, and teach them service providing skills and how to upsell our services so customers make multiple purchases at one time. We consider price discounts and promotions to increase our customer base. On the other hand, we make sure we have the right suppliers for our business and negotiate for better prices or discounts for buying in bulk. Once we get the well-know position in the market, we increase the price of the services.

3.3 Organizational Feasibility

Organizational feasibility analysis is conducted to determine whether Perfect Education Private School has sufficient management expertise, organizational competence and resources to successfully lunch its business operation. There are two primary issues to consider organizational feasibility: (a) management prowess and (b) resource sufficiency.

Management Prowess

Firstly, we must evaluate the ability of the management team of Perfect Education Private School. In nature of school, the important asset of business is qualified and experienced human resource. Therefore, the organization structure is made of with mostly academician and professionals. In recruitment and selection process, we choose the applicants who are met with organization mission and vision. The decision making and planning role derive from the director. The administrative affairs are been responsible by General Manager. The Principle is responsible for all academic affairs. There are two group of organizational administration work: academic and administration. They are undertaken the respective operation under the control of Director.

Organizational Chart

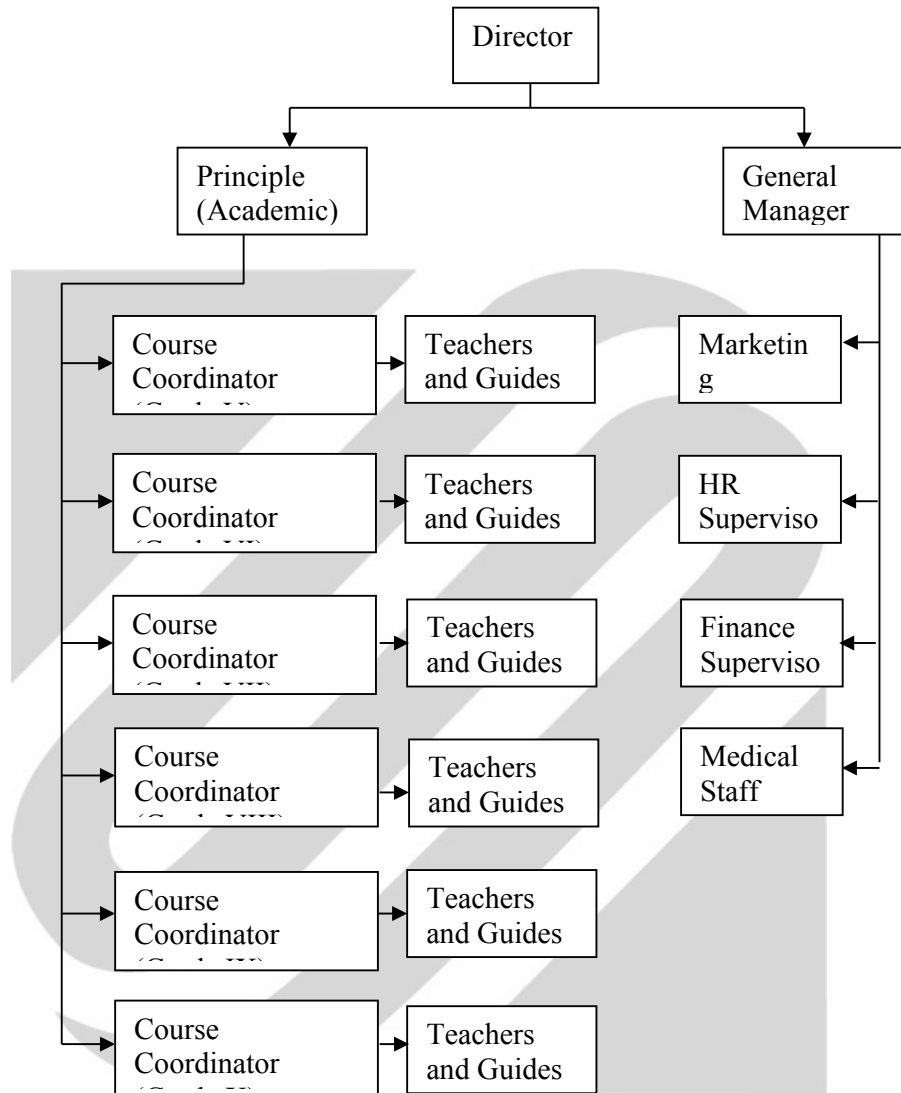


Figure 3.3 Organizational Chart

Source: Nang Heart Heart Hom Hseng,(2017)

Key Management Personnel

Director: Dr Thet Min who has good reputation in medical field and is a very ambitious person, especially enthusiastic in education. He worked as medical officer at Yangon Hospital and senior medical doctors in UNICEF “Save the Children” for five years. He was also outstanding student since childhood. He was got the MBA degree from Yangon University of Economics at last year so that he had much knowledge in management of business. In Perfect Education Private School, he is the key person to manage the school with setting plans and decision making for strategic goals. He lays down the goals and objectives for academic principle and general manager and makes decision for important issues of the school. In addition, he manages the financial flow of the school and creates competitive advantages and great opportunities for the school.

Principle: Daw Nwe Ni Tin got the B.Ed degree from Yangon University of Education. She had fifteen year experience in teaching for Grade X students and worked for five years experience as headmaster of State High School. After retiring from government servant, she is responsible as principle of Perfect Education Private School. She is capable and innovative person to set the curriculum and teaching process to support academic process. She provides the instructional leadership in academic teachers and guides. She is also a disciplining person and administrates teachers and students in discipline.

General Manager: Daw Nang Heart Heart Hom Hseng is Candidate for MBA degree, 2017 from Stamford International University with competent abilities in management. She is hardworking and outstanding person and have three year experience in general manager at food industry. She can utilize a good management skills and interpersonal skills efficiently and effectively. At Perfect Education Private School, she is responsible for internal operation and external operation of the school. She administrates the day-to-day operations and implements the goals set by the Director. She reports the plan implementation and the development of goals to Director. She is also responsible for marketing, human resource and finance

department. At these departments, the responsible person is the respective supervisor who report to General Manager.

Management Prowess Assessment Tool: We assess the following to objectively rate the “prowess” of the management team who will be starting the proposed venture.

1. Passion for business idea: High
2. Relevant industry experience: None
3. Prior entrepreneurial experience: Moderate
4. Depth of professional and social networks: Moderate
5. Creativity among management team members: High
6. Experience and expertise in cash flow management: Moderate
7. College graduate: Graduated

Resource Sufficiency Assessment

1. Office Space: 1
2. Lab space, classroom space, or space to launch service business: 2
3. Contract manufacturers or outsource providers: 2
4. Key management employees: 1
5. Key support personnel: 2
6. Key equipment needed to operate the business: 1
7. Ability to obtain intellectual property protection on key aspects of the business: 2
8. Support of local and state government if applicable for business launch: 3
9. Ability to form favorable business partnerships: 1

Proximity to similar school: Neutral

Proximity to suppliers: Strong

Proximity to customers: Strong

Where rate as:

1. Available
2. Likely to be available: will probably be available and will be within my budget

3. Unlikely to be available: will probably be hard to find or gain access to, and may exceed my budget
4. Unavailable
5. NA: not applicable for my business

Risk Management

We would face risk every day: making an investment, selecting personnel, buying equipment, accepting a new student risk. Even not choosing the option to do, some risk would be avoidable, some are taken and some can be sharing. We predetermine the risk during the operation of business.

-Risks in strategic plans: These plans are included academic plans and activities, such as curriculum development and administration, teaching assessment, teaching and learning process, working standard formulation, situations, problems, and need analysis mechanisms, training and capacity building, quality assurance development, and so on. Each risk has alternative and differences solutions in risks management depend up on their current contexts. But for each case, we should aware of developing the risk response plans for any risks happening in the schools.

- Risks in work operations: The human resources management was considered as very important part for work operation. The balancing between working loads, staffs, teachers, and students require for private schools. The qualifications and criteria of staffs and teachers were considered as a key point in the work operations. The risk appear when we do not recruit the right person at the right place. Among each case, the private schools are operated smoothly.

- Risks in Financial Administration: The financial plans are a very important role in financial management. The auditing mechanism should be strict and transparency. Moreover, the physical resources in the private schools are used efficiently and effectively for teaching and learning process.

- Risks in compliance: As the changing and verification of government's policy, regulations and laws can cause the private schools management system. The compliances can arise and it is a critical task for the management teams to respond.

- Risks in Security: Another risk is the security of the building, the environments of the schools both in and out classroom, foods and waters, student personal property, electricity, and overall security for teachers and students in private schools.

We would form risk management team with who will help and plan for risk at our school. Risk management team for risks with great effects include Director, Principle, General Management and administrative staffs, students, parents, region authority and neighbors.

We should accept the student enrollment with medical examination and drugs checks for avoiding future risks. In the case of illness appearing in school, we will provide first aid and medical checkup by our medical staff. If the student is seriously sick, we will call their parents to pick and care. In the case of emergency such as natural disaster, fire, flood and violence, etc, we will consider for the safety of students. For protecting of unethical behavior, we will fit CCTA within the school compound.

Perfect Education Private School's owners, principals, administrators, and teachers should be aware the risks and risk managements. They prepare to be capable to manage and decrease the risks occurred in management process. Problems and needs assessment should be conducted periodically before risk management system application.

CHAPTER 4

MARKETING PLAN

Traditionally, the four Ps model is used for physical products. The educational service requires a different 7Ps approach of product, price, place and promotion adding people, physical evidence and process. The Perfect Education Private School short term strategy is focused on the attracting new potential students to get (100) students at initial year. Due to the demographic increase in the Shwepyithar and a few private schools, there is lesser hard chance which marketing task is to accomplish.

4.1 Product/ Service

Perfect Education Private School is a private school in Myanmar, Shwepyithar Township. The School offers a middle and higher basic education alternative. Our product has all the characteristics of a service: intangibility, inseparability, variability, perishability. The perishability of the educational product is forcing to create services to have customers. Our product strategy can be seen from two different perspectives. We can consider that the product is the educational service and that the customer is the student. In addition, we can consider the student as the product delivered to the market. The school will focus on the student demands and it will try to meet their needs. We will focus on the student needs as well as on the knowledge needed in order to successfully start further professional study.

The target groups of Perfect Education Private School are the middle and high level of basic school students from the state schools and other private schools. The main educational programs and other additional services are offered to them. Study programs

The Perfect Education Private School provides the education service with curriculum under the state school described. From Grade V to VIII, there is one the same curriculum for every student. However, Grade IX and X have in its portfolio three study programs all of them ended with the national test and the matriculation examination. The one option is science subjects; the second study program is arts and the other choice is mix of science and arts. The full-time study program lasts 9 months

for Grade V to IX and 10 months for Grade X. We promise that the students; our product are becoming successful and creative students and their knowledge is used in their further study or in the areas related to them.

Laboratory and Experiments

To match practices and theory, the students can do experiments at the laboratory and practical workplaces in the school compound. We provide them to study the museums and allow participating in the social events organized by the state high schools. Students can do experiments at the time of schooling, at weekends and on holidays.

Sport activities

The Perfect Education Private School offers the basket ball course for the beginners and the selective course for the advanced. This course takes place in basket ball field of school compound. We consider the team activity in general very important to support the team spirit and their physical developments because the students are in teen age group.

Scholarship Awards

Our school provides scholarship with free tuition fees if the outstanding students with getting the highest scores in all subjects and attend at our school consecutive three years. If our students got all distinctions and included the top 10s, we offer trip to abroad.

The students receive the education from the certificated teachers during the academic year in the school's premises. Additionally the education service is transmitted through the new and advanced technologies. The school uses projectors, computers, CDs and language records. We also help them to learn the foreign languages faster and in more efficient way. Our students take the advantage from the e-learning.

To increase the number of enrolled students, we concern for students before and after lectures, increase the number of recreational facilities and introduce extra

language courses with free charges for students and their parents. We also offer educational program such as comfortable classrooms, library and information services, computer laboratory, quality lectures, etc.), recreational programs (paints, traditional dance and cafeteria), personal-growth programs (sports) and services (counseling center, advisors), health services and future-planning programs for further study.

4.2 Price

Perfect Education Private School seeks enrolments students from upper social class (high income family) and also to make attendance at the school financially affordable for families and students from middle social class as possible. The students have to pay the school fee and the annual fee for the study program. However, the price should be economical for the school. For grade V to VIII, tuition is Myanmar currency equivalent to US\$ 200 per month with US\$ 100 in annual fees. High School Tuition is US\$ 300 per month with US\$ 100 in annual fees. Discounts are available for siblings, with a 10% percent discount for the second child and a 15% percent discount for the third and above child that is admitted. If all fees are paid in full prior to the start of the semester, 20% discounts will be enjoyed. For variety of reasons, students may withdraw from schools every year. The school cannot refund the fees or cancel unpaid obligations if a student is forced to withdraw. Each year enrolment is made by contract for the full academic year and no tuition fees may not refund or deduct for absence, withdrawal, or dismissal.

4.3 Place

We hire the large compound on Bayinnaung Road, (8) Ward, Shwepyithar Township with five years contract. Perfect Education campus is located in the northern part of the Yangon. The campus is quiet and its location is in the heart of Shwepyithar. Readily accessible due to its close proximity to customer, the school is convenient transportation and easy to get the place from the every place of Yangon. The direction of school can be easy to get and high visibility for searching. There are not so much traffic problem in the northern part of the Yangon. This location is matching with our target customers and market segment. A large, independent school building and another under the same roof as the Perfect Education are the school's

campus and are home to the Grade V to X classrooms. Perfect Education School has a full complement of on-campus facilities of library, computer lab, language lab, arts rooms, basket field and medical center.

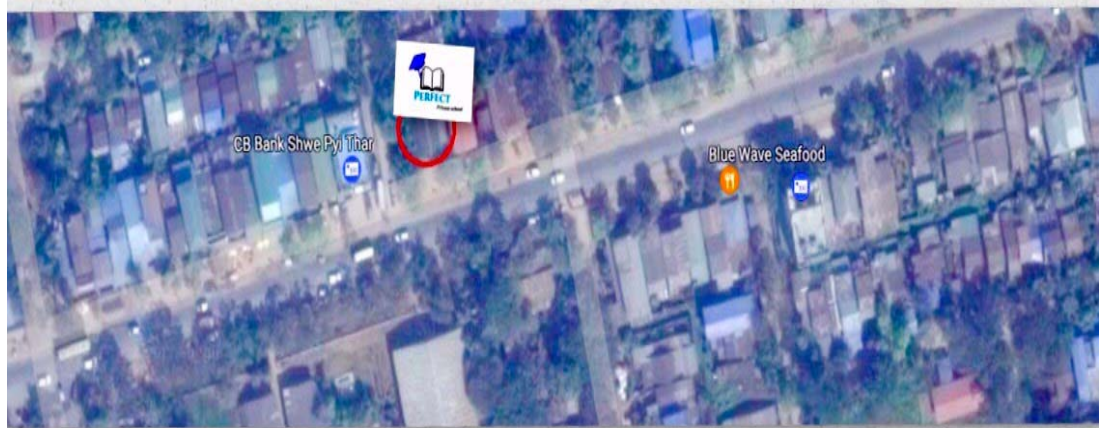


Figure 4.1 Location of Perfect Education Private School

Source:Internet,googlemap

4.4 Promotion

The Promotion plan and strategy will be to convey the success image of Perfect Education Private School to customers in a skillful integrated marketing communications approach. In the first month of the first year, we will be started to attract 100 students (average 20 students per each grade respectively). For academic year, those classes will regularly open from June to February but Grade X will end at March. We expect the enrollment with 20 students in April.

Advertising

We use FM 89, Cherry FM radio, 4 Edu and MRTV 4 television channels, The Light of Myanmar newspaper, billboards and social media to advertise our school services. The articles about school and its activities will be found in the Education guide monthly magazine, Education Journal. In addition, the advertisement about the Day of the Opening Ceremony, which took place on first week of June in 2018 will be put into the newspaper 'The Mirror'. Moreover Radio City FM and Cherry FM will also transmit the potential students to pay the attention to the Private School as well as

the regional broadcasting and billboards in front of the state schools and markets in Shwepyithar Township. Additionally, we use the Facebook page, not only to advertise its qualities but also as the easily managed communication channel. As special program, we will celebrate the students with the mini birthday cake by noticing their birthday. We provide scholarship with free tuition fees if the outstanding students with getting the highest scores in all subjects.

The target groups of our school are the higher level income as well as middle income family which will be common users of the public transportation, therefore we would use for our advertisements broadsheets, small-scale advertisement and city light advertising. As the small-scale advertising, we will use the school-bus. The advertisement of our school will be put on the sides of the vehicle for 3 months from the December 2017 till the February 2018.

Sales Promotion

Sales promotion in the field of education purpose for the current students and attract new potential students. At the initial stage, the enrolment rate is important so that we offer the discount program for early bird, referrals and two plus one promotion. We offer 10% discount for five early birds. In addition, students can be enjoyed 5% discount if they enrolled with referrals of friends, families and relatives as well as referrals would get the gifts of Perfect Education Private School. We allow discounts for siblings of our old students, with a 10% percent discount for re-choice for the second child and a 15% percent discount for the third and above child that is admitted. If all fees are paid in full prior to the start of the semester, 20% discounts will be enjoyed. We sponsor the football match competition organized by higher education department of Ministry of Education which is the social event of the year. We offer free tuition fees to winner.

Direct Marketing

We use direct marketing from the educational point of view as the personal contact of the school's employees and management with the parents, students, companies, media and public representatives. The teachers take part on creation of the

services offered to the students and influence their quality directly. The Day of the Opening Ceremony is perfect example of the direct marketing as well as courses offered. Grand Opening is the very first impression for our school. We will send invitations to prospective parents to attend opening ceremony and admissions related events. We can track attendance at opening ceremony and other admissions events and contacts who have applied for admission to Perfect Education Private School. We will give stationary material with school logo and slogan sent to prospective students and parents as grand opening presents. Target dates for these events will be June, 2018. The goal of the grand opening ceremony will be able to provide additional information that may encourage families to move forward with enrolment of their child. If parents and children expressed a direct interest in the school, they will be invited through a consultant desk. All contacts attendance at opening ceremony are contacted and sent information via e-mail. Invitations will be sent to the neighbor people and advertised at billboard and brochures. Furthermore we can organize the Mothers Day and the Fathers Day, when the potential mothers and fathers of students will be invited to the school for the education fairs.

Publication

The annual reports will be published by the management of the school. The management started this activity in 2018 and annual public reports would be written. They are published at the facebook page of the school and must be sending to the regional authority office. This annual reports provide us with the awareness of the school and quality. In annual report, we give information about the school's employees and our further education services, examination processed, pedagogical and educational outcomes as well as school's data of the management analysis, revenues and expenditures and grants.

Advertising brochure

Advertising brochures would be done for students and their parents as well as for the potential educational partners. The design of the advertising brochures depicts with the design of the school. The brochures inform the potential students as well as public about its history, mission and goals, as well as about its study programs and

additional courses and opening ceremony to the students and public audience. The brochures are available in the school and distribute public at the high school markets, at the Day of the Open Ceremony as well as at any additional event connected with the State Schools.

We should care to implement the customer relationship management to retain the customers over the long term relationship and gain the positive image in public. The most important people in the school are the students and their parent. All the employees should emphasize the customer driven quality services and try to participate in the classes both teacher and the students themselves. Positive word of mouth would be spread together with the image and corporate spirit enhancement

4.5 Physical Evidence

As the educational product is intangible, the physical evidence plays a major role as a proof of the product that is going to be delivered. In the enrolment, the buildings, facilities of the campus and all the other tangible evidence foster the quality of the service that is going to be delivered. All the physical evidence contributes to the first impression to image of Perfect Education Private School. With teen preferences' colorful decoration, modern furniture and beautiful wallpapers and air conditioners, we create a welcoming ambience. This creation will deliver the student to have refreshable and comfortable feeling as they can absorb easily the lectures and the lessons.



Figure 4.2 Proposed Front View of the School

Source: Nang Heart Heart Hom Hseng(2017)



Figure 4.3 Proposed Design of Classroom

Source:Nang Heart Heart Hom Hseng, (2017)



Figure 4.4 Cafeteria of the School

Source: Nang Heart Heart Hom Hseng, (2017)



Figure 4.5 Language Lab of the School

Source: Nang Heart Heart Hom Hseng, (2017)

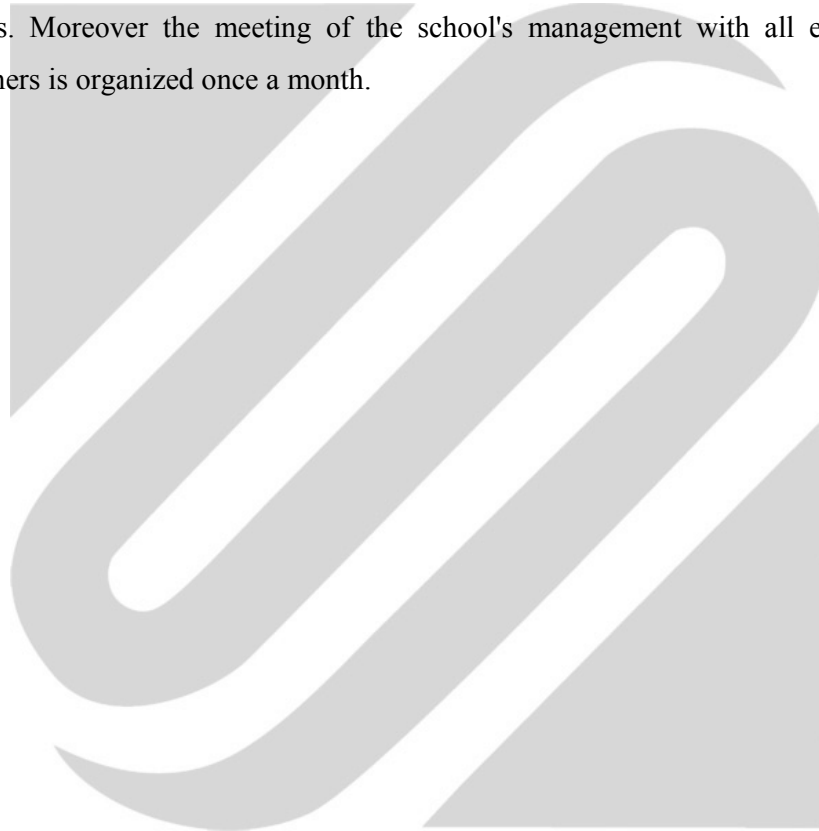
4.6 People

The right people at the right place are a key to develop success for education so that the staffs' ability is linked to deliver in a correct manner. We believe that quality and reliable teaching can be delivered to our value students by investing the right teachers with working passion, open minded and good communication skills. The students may be influenced by the number of qualify and disciplining teachers and study guides. The student service staffs also interact with prospective students before, during and after the enrollment. They are an important role of education, as high contact on communication and interactions with parents, students and community. Administrative staffs engage with the enrolment process as they deal with students and their requests. The management team of the school is supported by the director, who is responsible in general administrative affairs.. The teachers usually undergo the educational training. All the employees of Perfect Education Private School are provided to create pleasant working environment.

4.7 Process

Process may be the logistics of the service delivery that contains the administrative and form al functions of the school. The service delivery process is enrolment process, requests for registration, preparation of study timetables, course

examination and evaluation, besides giving out examination results and grade. The effective service delivery will affect the quality of our services and the results of the school's brand. The management process in the school is divided into the formal and informal communication. The formal communication does respond according with the organization structure. The Director of the school and GM do communicate closely. The Principle does have operative meetings once a week with the teachers, study guides and staffs. The supervisor of HR manages communication with the cleaning staffs. Moreover the meeting of the school's management with all employee and teachers is organized once a month.



CHAPTER 5 FINANCIAL PLAN

This chapter presents some detail information about the expected financial performance of Perfect Education Private School.

5.1 Start-Up Funding

Perfect Education Private School is start up business stage. We start initial operation before three months of launching. At this stage, we generate no revenue and invest assets such as building, infrastructure, facilities, renovation and marketing cost. At the first year of financial operation, the objective of finance is to cover its costs through generated revenue.

Table 5.1 Start-up Requirement Funds

Start Up Expenses	US \$
Marketing cost	1000
Registration and License fees for school	500
Utilities for renovation period (3months)	300
Installation fees for telephone lines and internet	1000
Training for teachers and staffs	400
Working capital for renovation period (3 months)	12800
Rental deposit for 5 years (\$2500 per month)	12000
Total start up expenses	28000
Start Up Assets	
Generator and Transformer	12000
Indoor furniture/equipment (mat, air-con, CCTV, projector, etc.)	20000
Outdoor furniture/equipment (playground equipment, landscape, etc.)	2000
Office furniture	1200
Renovation (Interior and Exterior)	10000
Total start up expenses	45200
Total required start up cost	
Start up expenses	28000
Start up assets	45200
Total	73200

Table 5.2 Source and Use of Funds

Source of Funds	US\$
Owner Contribution Capital	73200
Uses of Funds	
Start up expenses	28000
Start up assets	45200
Total	73200

5.2 Three-Year Sale Plan

Perfect Education Private School forecasts sale based on assumptions number of students who will make payment for each month. There are 15 classrooms with the capacity of 15 students per a room at the same time. Our campus can be able for 200 students totally. We will offer service with 15 students in a room and (1) teacher per a subject with three assistance study guide in a particular class. However, we will also provide English language skills and computer skills as extra complementary. This is one of revenue stream in our business plan and way of expanding business for the future and also covering our expenses and operating cost within 3 years. The Perfect Education Private School will run Grade V through Grade X in the first year of operation. We estimate that the school will enroll about 100 paying students in the first year. Each grade will have average approximately 20 students. Next two to three year will be forecasted to increase the number to 150 students' enrolments once the school gets well-known. At that time, it would be possible to charge a higher tuition and fees once the school gains reputation for high quality education.

In order to calculate sale forecast for a year, our sales will be focused on the number of students for payment by monthly because we will collect school fee month by month instead of collecting yearly.

Assumption 1: New 8 students enroll and 2 students withdrawal per month. Assume 20% of enrollment is withdrawal.

Perfect Education Private School will generate revenues from tuition and annual fees charged to enrolled students. Table 5.2 shows the details of tuition and fees for different classes. There are very competitive for the education market in northern of Yangon, Myanmar. However, Perfect Education Private School's monthly charges are very reasonable and flexible for the customer. The student's parents must pay these monthly charges during the first week of every month in advance. Our main competitor private schools collect tuition and fees on an annual basis.

In the first month of the first year, we will be started to attract 100 students (average 20 students per each grade respectively). For academic year, those classes will regularly open from June to February but Grade X will end at March. We expect the enrollment with 20 students in April. Sale forecast for three as follows;

Table 5.3 Three Years Sale Plan

	Year 1				Year 2				Year 3			
	Number of Students	Fees per student	Academic Months	Total (for a year)	Number of Students	Fees per student	Academic Months	Total (for a year)	Number of Students	Fees per student	Academic Months	Total (for a year)
Average Monthly Charges		US\$		US\$		US\$		US\$		US\$		US\$
Grade 5	15	200	9	27000	20	200	10	40000	20	200	10	40000
Grade 6	15	200	9	27000	20	200	10	40000	20	200	10	40000
Grade 7	15	200	9	27000	20	200	10	40000	20	200	10	40000
Grade 8	15	200	9	27000	25	200	10	50000	25	200	10	50000
Grade 9	20	300	9	54000	30	300	10	90000	40	300	10	120000
Grade 10	20	300	10	60000	35	300	10	105000	50	300	10	150000
	100			222000	150			365000	175			440000
After Discount Allowed(estimate 20% of school fees)				177600				292000				352000
Annual Fees												
Grade 5	15	100		1500	20	100		2000	20	100		2000
Grade 6	15	100		1500	20	100		2000	20	100		2000
Grade 7	15	100		1500	20	100		2000	20	100		2000
Grade 8	15	100		1500	25	100		2500	25	100		2500
Grade 9	20	100		2000	30	100		3000	40	100		4000
Grade 10	20	100		2000	35	100		3500	50	100		5000
				10000				15000				17500
Total				187600				307000				369500
Net Revenue after Estimated withdrawal 20%)				150080				245600				295600

5.3 Salary

The salary estimates are based on the government's recommendation for salaries. However, the private schools' labor market in Myanmar is very competitive and variable on a contract basis. Teacher and study guides are hired for academic periods (10 months per year) and the administrative teams are recruited permanently. As there are 15 classrooms with the capacity of 15 students per a room, the requirement of human resources should meet for 200 students totally. We will offer service with 15 students in a room and (1) teacher per a subject with three assistance study guide in a particular class. There are average six subjects at each grade. In teaching staffs, we hire the teachers who can teach the middle level course and the high level course. For high level course, there have elective courses such as science and arts with three subjects each.

Table 5.4 Estimated Salaries Expense

	Numbers	Pre-opening		Year 1			Year 2			Year 3		
		Rate \$	Total (2months)\$	rate per month	Total \$	Grand Total \$	rate per month	Total \$	Grand Total \$	rate per month	Total \$	Grand Total \$
Teachers												
Grade 5	6			120	720	6480	130	780	7020	150	900	8100
Grade 6	6			120	720	6480	130	780	7020	150	900	8100
Grade 7	6			120	720	6480	130	780	7020	150	900	8100
Grade 8	6			120	720	6480	130	780	7020	150	900	8100
Grade 9	6			150	900	8100	160	960	8640	180	1080	9720
Grade 10	10			150	1500	15000	160	1600	16000	180	1800	18000
						49020			52720			60120
Study Guides												
Grade 5	3			80	240	2160	85	255	2295	90	270	2430
Grade 6	3			80	240	2160	85	255	2295	90	270	2430
Grade 7	3			80	240	2160	85	255	2295	90	270	2430
Grade 8	3			80	240	2160	85	255	2295	90	270	2430
Grade 9	3			100	300	2700	110	330	2970	115	345	3105
Grade 10	6			100	600	6000	110	660	6600	115	690	6900
						17340			18750			19725
Administrative Teams												
Director	1	150	300	300	300	3600	300	300	3600	300	300	3600
Principle	1	150	300	280	280	3360	280	280	3360	280	280	3360
General Manager	1	150	300	280	280	3360	280	280	3360	280	280	3360
Marketing Supervisor	1	150	300	200	200	2400	200	200	2400	200	200	2400
HR Supervisor	1	150	300	200	200	2400	200	200	2400	200	200	2400

	Numbers	Pre-opening		Year 1			Year 2			Year 3		
		Rate \$	Total (2months)\$	rate per month	Total \$	Grand Total \$	rate per month	Total \$	Grand Total \$	rate per month	Total \$	Grand Total \$
Accountant (Finance)	1	120	240	200	200	2400	200	200	2400	200	200	2400
Staffs	10	100	2000	120	1200	14400	130	1300	15600	130	1300	15600
Security	5	70	700	70	350	4200	80	400	4800	80	400	4800
General Workers	3	70	420	70	210	2520	80	240	2880	80	240	2880
			4860			38640			40800			40800
Total Salary			4860	plus pre 2 months		109860			112270			120645

5.4 Estimated Income Statement

Perfect Education Private School was calculated from a conservative way of view and also based in large part on current market conditions.

The financial statement for year 1 reflects operation from June, 2018–February 2019. The revenue for year 1, year 2 and year 3 are US\$ 150080,245600 and 295600 respectively. In other expenses, we calculated our pre opening expenses into first month of year 1 period. Therefore, expenses in year 1 will be higher than from other fiscal years. Next two to three year will be forecasted to increase the number to 150 students' enrolments once the school gets well-known due to our strong promotion plan. At that time, it would be possible to charge a higher tuition and fees once the school gains reputation for high quality education.

Table 5.5 Income Statements for three years

	Yr 1 (US \$)		Yr 2 (US \$)		Yr 3 (US \$)	
Revenue		150080		245600		295600
Operating Expense						
(a) Pre-opening expenses						
Marketing cost	1000					
Registration and License fees for school	500					
Utilities for renovation period (3months)	300					
Rental Deposit	12000					
Installation fees for telephone lines and internet	1000					
Training for teachers and staffs	400					
Total start up expenses		(15200)				
(b) operating expenses						
Rental (1 year)	30000		30000		30000	
Salary	109860		112270		120645	
Repairs and Maintenance	1000		1200		1400	
Telephone and lighting	5000		4500		3000	
Registration and License fees for school	-		500		500	
Discount Allowed (Estimate 10% of sale)						
Marketing cost	5000		1100		1000	
Sundry expense	4000		1500		1400	
Net Profit Before Tax		(64380)		21530		49655
Tax 5%		(3219)		(1077)		(2483)
Net Profit after Tax		(61161)		20454		47172

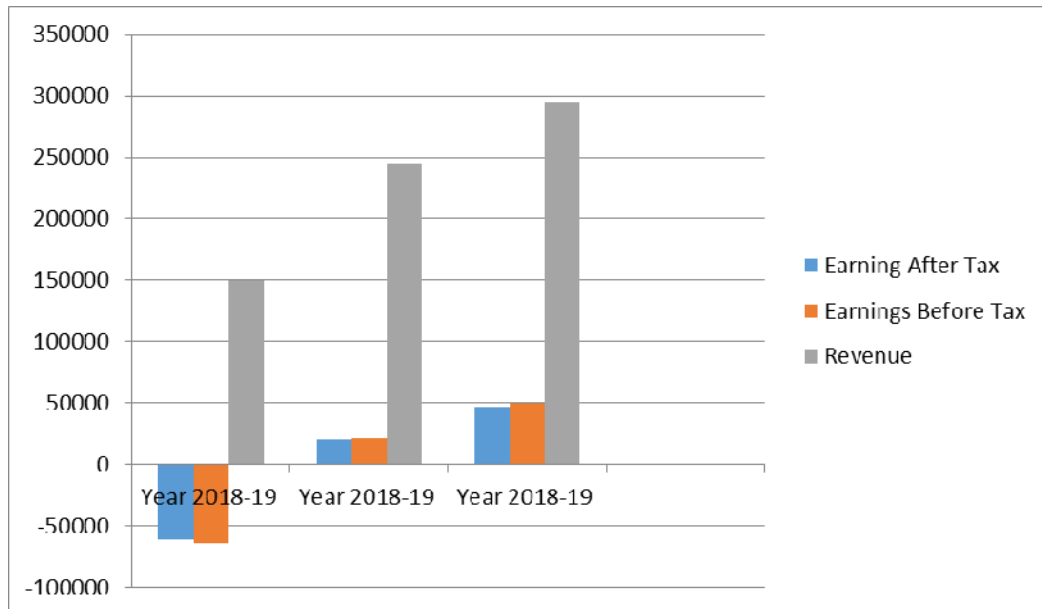


Figure 5.1 Profits year by year

5.5 Estimated Balance Sheet

Table 5.6 Estimated Balance Sheet

	Yr 1 US\$	YR 2 US\$	YR 3 US\$
Fixed Assets			
Motor Vehicle	12600	11200	9800
Generator and Transformer	12000	12000	12000
Indoor furniture/equipment (mat, air-con, CCTV, projector, etc.)	20000	20000	20000
Outdoor furniture/equipment (playground equipment, landscape, etc.)	2000	2000	2000
Office furniture	1200	1200	1200
Current Assets			
Cash	9680	9740	9585
A/C receivable	50400	75860	104015
Inventory	2000	2500	3000
Total Assets	109880	134500	161600
Current Liabilities			
Account Payable	81041	24046	55028

	Yr 1 US\$	YR 2 US\$	YR 3 US\$
Net Assets	28839	110454	106572
Capital	90000	90000	59400
Net Profit/Loss	(61161)	20454	47172
	28839	110454	106572

5.6 Breakeven Analysis

To analysis breakeven point, the variable expenses and variable expenses are classified:

Table 5.7 Fixed expenses and Variable Expense

	Yr 1 US\$	Yr 2 US\$	Yr 3 US\$
Sale	150080	245600	295600
Fixed Cost			
Marketing cost	1000		
Registration and License fees for school	500		
Rental Deposit	12000		
Installation fees for telephone lines and internet	1000		
Rental (1 year)	30000	30000	30000
Salary	109860	112270	120645
Repairs and Maintenance	1000	1200	1400
Telephone and lighting	5000	4500	3000
Registration and License fees for school	-	500	500
	160360	148470	155545
Variable Cost			
Utilities for renovation period (3months)	300		
Training for teachers and staffs	400		
Discount Allowed (Estimate 10% of sale)	44400	73000	88000
Marketing cost	5000	1100	1000
Sundry expense	4000	1500	1400
	54100	75600	90400

We perform a simple calculation to determine how many units must be sold at a given price to cover one's fixed costs. You're typically solving for the Break-Even Volume (BEV).

$$\text{BEV} = \text{Fixed Cost} / (\text{Revenue per unit} - \text{Variable Cost per unit})$$

Then we can determine that Perfect Education must obtain at least following students in respective year in order to cover fixed costs.

Table 5.8 Breakeven Analysis

	Yr 1		Yr 2		Yr 3	
Sale (US\$)	150080		245600		295600	
number students		100		150		175
Revenue per unit		1501		1637		1689
Variable Cost (US\$)	54100		75600		90400	
Variable cost per unit		541		504		517
Fixed Cost (US\$)	160360		148470		155545	
BEV (students)		167		131		133

CHAPTER 6

CONCLUSION

Perfect Education management is willing and very enthusiastic to launch this business plan in 12 months at June 2018 by implementing this opportunity into action and make it successful private school. Private School Registration Law of Myanmar also allows individuals to establish private school. Therefore, as education business deals from the legal point of view and very ethical for social community, there is great opportunity for establishing private school. Although state schools and other private school in Shwepyithar are the major competitors industry, the business idea has been tested through the market analysis and findings have shown that the business has a strong potential for success because the management team is strong and experience, the market is a niche. After examining the financial aspects, we will experience with the poor results of profit. However, as the application is fully developed, we will launch it as planned and gauge the response of the market. the financial analysis show that the business will be profitable after the end of the first year. However, if just 167 students are enrolled at each class of Perfect Education at first year, we can cover the cost and breakeven.

Our business is expected to be a going concern. Business plan is important preplan for being successful implementation. A business plan is a forecasting tool which needs to be monitored and updated periodically. We should adjust our plans and actions according to the market variables changes.

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