



BUSINESS PLAN FOR AN INNOVATIVE TUTORING AND  
STUDY CENTER

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# BUSINESS PLAN FOR AN INNOVATIVE TUTORING AND STUDY CENTER

## Abstract

This thesis is the elaboration of a business plan for developing a totally innovative center in Portugal. It is innovative because there are still no places like this in our country. The project consists in a tutoring center which encloses a space exclusively for studying and also a cafeteria service, meaning that students can come to the center to study, make their homework and individual or group Works, once they have space and conditions to do so: tables, chairs, internet WIFI and all the commodities needed. But they can also opt for having tutoring sessions on some curricular unities, in which they might have difficulties. All this is associated to a cafeteria service which allows for students to eat and drink something without having to leave the center. There will also be a high technological printer, which can print any type of work in high quality and that students can use to print the work they make at the center.

However, for the creation of a center like the one described to be possible, it is necessary to make diverse studies. Firstly, a literature review on strategic management and business plans has been made. Next, has proceeded a market analysis. Only after making a market analysis it was possible to create a marketing plan. Finished the marketing plan, it was elaborated a management plan. To conclude, it is necessary to make the entire financial analysis in order to have a perception of the business's viability.

Keywords: Business; Tutoring Center; Study Place; Cafeteria Service

JEL Codes: New Firms; Startups – M13

General – A20

## Resumo

Esta tese é a elaboração de um plano de negócios para a criação de um centro totalmente inovador em Portugal. É inovador porque no nosso país ainda não existe nada deste género. O projeto consiste num centro de explicações que engloba um espaço de estudo e um serviço de cafetaria, o que significa que estudantes podem ir ao centro apenas para estudar, fazer trabalhos de casa e trabalhos individuais ou de grupo, uma vez que têm espaço e condições para tal: mesas, cadeiras, acesso à internet e todas as comodidades pretendidas. Mas podem também optar por ter explicações de alguma unidade curricular em que estejam a sentir dificuldades. Tudo isto está associado a um serviço de cafetaria que permite aos estudantes comerem e beberem qualquer coisa sem terem de sair do centro. Haverá também uma impressora de tecnologia avançada que permite a impressão de qualquer tipo de trabalho com elevada qualidade e que os estudantes podem utilizar para imprimir trabalhos que tenham feito no centro.

Contudo para que seja possível a criação de um centro como o descrito, é necessário realizar diversos estudos. Primeiramente realizou-se uma revisão literária sobre gestão estratégica e planos de negócios. De seguida procedeu-se a uma análise de mercado. Apenas depois de fazer uma análise de mercado foi possível criar um plano de marketing. Terminado o plano de marketing, elaborou-se um plano de gestão. Para concluir, é necessário fazer toda a análise financeira a fim de perceber a viabilidade do negócio.

Palavras-chave: Negócio; Centro de Explicações; Espaço de Estudo; Serviço de Café

JEL Códigos: Novas empresas – M13

Geral – A20

## Acknowledges

In some types of thesis is practically possible to do it on our own. However, when doing a business plan it becomes impossible to do so because there are no absolute truths in this matter, it isn't an exact science, it is necessary to do a lot of brainstorming to get to diverse conclusions. Therefore, it becomes very important to thank all the people who have added meaning to this project.

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## List of Abbreviations

**CF** – Cash Flow

**CSF** – Critical Success Factors

**DR** – Discounted Rate

**EBIT** – Earnings Before Interest and Taxes

**EBITDA** – Earnings Before Interest, Taxes, Depreciation and Amortization

**GDP** – Gross Domestic Product

**INE** – National Statistical Institute

**IRR** – Internal Rate Return

**IRS** – Personal Income Tax

**NPV** – Net Present Value

**PI** – Profitability index

**PP** – Payback Period

**SP** – State and other public Entities

**SS** – Social Security

**STP** – Segmentation, Targeting and Positionin

**WC** – Working Capital

**VAT** – Value Added Tax

# 1 Executive Summary

Esta tese tem como objectivo principal a criação de um plano de negócios para uma ideia totalmente inovadora, isto é, algo que apesar de já existir em outros países em Portugal será um serviço pioneiro, um Centro de explicações com um espaço de estudo e um serviço de cafetaria associado. A primeira abordagem é sobre a gestão estratégica, tema crucial para a elaboração de um bom plano de negócios, inicialmente numa visão mais genérica: explicar o conceito de gestão estratégica, a sua importância e benefícios, as suas fases e modelos, e terminando com o modelo estratégico que vou usar para o meu projecto.

De seguida, haverá uma parte destinada exclusivamente para o plano de negócios: o que é um plano de negócios, como elaborá-lo e como vai funcionar o modelo estratégico que irei usar.

Através das análises que dizem respeito aos conceitos de gestão estratégica e plano de negócios, é possível concluir que o modelo mais adequado para o projeto que pretendo desenvolver é o de Wheelen, especialmente quando se trata de toda a gestão estratégica sobre os detalhes mais importantes a ter em consideração, tendo em vista que se trata de um plano de negócios para uma ideia inovadora.

Mais tarde nesta tese surge uma análise de mercado, que inclui, na sua maior extensão, a análise externa. Esta contém uma análise demográfica, uma análise PESTEL, o modelo das Cinco Forças de Michael Porter e a análise dos concorrentes, onde as suas características mais específicas serão esclarecidas.

Sobre a análise interna, que deveria constar na análise de mercado, esta será abordada no plano de marketing, bem como todas as variáveis do serviço (Services Mix). A análise interna aparece no plano de marketing, uma vez que se trata de um negócio que ainda não foi criado. Esta análise foca-se muito na escolha do mercado (STP), os factores críticos de sucesso (FCS) e as vantagens competitivas. Para além destes tópicos, aparecem também neste capítulo temas como a análise FOFA (SWOT), a missão, a visão e os valores da empresa.

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No plano de gestão é possível entender como o negócio será gerido, quais são os principais objectivos para os primeiros seis meses, como será feito o controle dos resultados, como será implementado o plano promocional, um cenário possível para uma estratégia de expansão e dois cenários possíveis para uma estratégia de saída.

Finalmente, na análise financeira serão aplicadas diferentes técnicas a fim de avaliar a viabilidade financeira do projecto. As técnicas são: o cálculo do valor actual líquido (VAL), o taxa interna de retorno (TIR), o "Período de retorno" ou período de recuperação do investimento, o índice de rentabilidade (RI) e ainda a análise de sensibilidade.

Após a análise financeira, é possível ler a conclusão desta tese. É basicamente uma conclusão que informa se este negócio é ou não viável. Naturalmente, todos os capítulos são importantes nesta tese e também para a elaboração de um plano de negócios. Contudo, sabe-se que a parte financeira é determinante para a viabilidade do negócio.

## 2 Introduction

This project arises in a time of crisis, in which Portugal is going through a rough period. Therefore, I think the best to do in order to help our country rise again is to be innovative and create richness, and there is no better way to achieve that than through a Business Plan.

However, having in mind the situation that everyone has been living for the past few years, it doesn't get any easier being an entrepreneur in Portugal especially because of all the fiscal charges submitted which make it hard to keep a business running. But it is also true and very important to remember that the entrepreneur is the motor of the market's economy system, creating new products, making improvements in products, processes and existing technologies, entering new markets, taking risks in new areas and turning old methods and less efficient and effective models obsolete (Ferreira, Santos, & Serra, 2008).

The idea in mind emerged based on a huge problem among students: finding a place where they can study, do their homework, eat something and clarify doubts, all at the same place without wasting much time. Thus, the concept I am developing on this thesis would be a great and very well structured solution for this situation. Besides, the place where I'm thinking about implementing this idea is in Alverca, which is a city with a lot of schools and students, so it would be very helpful having a place like this.

Finally, there is still another reason for this idea to work perfectly: all the study Centers in Alverca offer the same conditions with no differentiation, which often makes it hard for youngsters to join these places. So, is it without a doubt that I can affirm the center I plan on implementing is indefectible.

This thesis contains 5 essential points: literature review; market analysis; marketing plan; management plan and financial plan.

In the literature review there is a detailed analysis about strategic management and business plans. In this topic, it is possibly to find the meaning to these concepts as well as to the strategic management model I will be working on, and the important aspects that must be had in consideration.



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In the market analysis, as the name indicates, there will be shown an analysis on the market, which is the main subject. But it will also contain an external analysis and the elaboration of the whole project's marketing mix. The internal analysis will not be done in this topic because this business still does not exist. Therefore, it will be talked about in the third great topic: the marketing plan.

In the management plan is explained how the business will be managed.

Last but not the least, in the financial plan is shown all the project's financial analysis.

## 3 Literature Review

### 3.1 Strategic Management

#### 3.1.1 Concept of Strategic Management

There are a lot of different definitions about strategic management. However, I think the two authors I mention in the text below, together with some conclusions I took by myself, illustrate very well what strategic management is and what it is meant for.

Throughout the years managers from the more vast companies started understanding the importance of the implementation of a good strategic management model. It is also fundamental that managers comprehend each function they play in strategic management and in what this one differs from other strategies.

“Strategic management is a set of managerial decisions and actions that determines the long-run performance of the corporation” (Wheelen & Hunger, 2011, p. 53).

Strategic management includes not only the internal part but also the external part. It includes a long-run formulation, an implementation and last but not the least an evaluation and a control. Beside all that, it also has a lot in consideration the internal part and the external part referring to the strengths and weaknesses and the opportunities and threats, respectively.

“Strategic management is concerned with the character and direction of the enterprise as a whole. It is concerned with basic decisions about what the enterprise is now, and it is to be in the future. It determines the purpose of the enterprise. It provides the framework for decisions about people, leadership, customers or clients, risk, finance, resources, products, systems, technologies, location, competition and time” (Morden, 2007, p. 14)

Therefore, the strategic management must be the base for any business plan, because it is always necessary to manage the business, and to do that it is necessary to follow some steps and techniques because, otherwise, the project will not last long.

### **3.1.2 The importance of Strategic Management**

Considering the importance of strategic management, I believe the author Paul Finlay has got his ideas very clear and straight to the point. Therefore, I've decided to work on this project based on one of his books, whose quotes are used sometimes in order to help state my point of view.

In all companies it is extremely important to have a strategic management, whether it is a SME (small and medium enterprises) or a large enterprise, because it is always necessary to conjugate and think through a lot of different factors.

“There is a need to juggle apples and pears” (Finlay, 2000, p. 4).

Thus, strategic management is what points out a clear view in a company. In a SME this task is usually developed by its owners and family. Whereas, in a large enterprise this task is developed by the top managers since there are a lot of big investments associated.

“Strategic Management truly is important, concerned as it is with the sustained well-being of the organization and with the groups and individuals affected by its activities” (Finlay, 2000, p. 4).

So, it is possible to understand the importance of strategic management, because without it it would mean giving a false step, a step for a place that is unknown. Like it says in an old maxim: “Failing to plan is planning to fail”.

### **3.1.3 The benefits of Strategic Management**

One of the biggest benefits of strategic management is the possibility not only to make a business rentable in short-terms, but also to think it through so it can likewise be rentable in medium and long terms. Given the velocity a technology takes to evolve and the speed it takes for a market to change, this management becomes even harder, but at the same time even more relevant inside organizations. Analyzing, for example, the original 100 companies which belonged to Forbes around 1917, only 13 of them still remain as part of the magazine.

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“Strategic management emphasizes long-term performance” (Wheelen & Hunger, 2011, p. 54).

The more unsteady the surroundings, the more important strategic management becomes once it makes it possible to give a faster and more efficient response. Many studies confirm that companies which modify its strategies owing to the variations inside the market have had more success comparing to those which haven't done it.

One particular study regarding around 50 companies from several countries and various industries has concluded that the three biggest benefits of strategic management were: “Clearer sense of strategic vision for the firm; Sharper focus on what is strategically important and improved understanding or a rapidly changing environment”. (Wheelen & Hunger, 2011, p. 54)

### 3.1.4 Phases of Strategic Management

As time passed many managers and economic investigators have improved strategic management techniques and mechanisms. Among them are Wheelen & Hunger who have concluded that there should exist 4 principal phases in the strategy:

Phase 1 – Basic Financial Planning: at this phase managers basically define the budget for the next year, essentially with information from the sales and from inside the company. Sometimes this phase takes a few weeks. It is only used for short-terms (a year).

Phase 2 – Forecast-based Planning: this is the phase where managers start developing bigger projects whose desired period of time normally varies between 3 to 6 years. These are projects which require a bigger internal and external analysis and which almost turn the annual budgets unnecessary making them useful solely as a small support. Normally, a project like this takes a whole month to be conceived.

Phase 3 – Externally oriented (strategic) Planning: after the annual budget has been realized (phase 1) and the medium-term project(s) elaborated, it is time for managers to start having a more strategic view by planning projects in long-term. It is here that many times big companies tend to request the help of consultants, so they can add something new and innovative to their enterprises. Sometimes this implementation of new ideas takes a little

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longer than predicted and then when they're launched to the market they are not that much innovative anymore. This is the reason why top managers appeal to consultants, so they can turn the process briefer.

Phase 4 – Strategic Management: this last phase is where the company's vision must be taken in consideration and where and how it is supposed to be leading the company. For that, it is very important to obtain feedback from a relatively big number of managers and/or keyworkers, considering these inputs are real and updated. It is also in this phase that top managers do a search to find the best ways to implement and evaluate the several ideas and projects proposed. They also must create some forecast of eventual problems, and formerly develop contingency plans with answers for the potential problems. This phase is also the time to try and inculcate the strategy above the planning made for medium-term. This strategy can be transmitted from innumerable ways to the company's collaborators, either by gathering during thematic weekends or by meetings or internal newsletters, etc. Despite all these actions, top managers must always have in consideration the strategic planning process once it is fundamental for the company.

“Many of the concepts and techniques that deal with strategic management have been developed and used successfully by business corporations” (Wheelen and Hunger (2011, p. 53)).

### 3.1.5 Strategic Management Models

“In the main, the models of strategic management are much more like the models in the social sciences than those in the physical and biological sciences and engineering” (Finlay, 2000, p. xix).

In other words, strategic management models must be in accordance with the specificities of each business, as the models in the social sciences are in accordance to the environment. Therefore, these are good models to be guided by, orientating our ideas and thoughts and not letting us run away from what does really matter. An example of a strategic model can be the one represented in figure 1, a model developed by Tony Morden. However I don't think that this model is the most completed. As it is possible to see in the figure, the model

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doesn't start with an environmental scanning which is a very important analysis to conduct when creating a new project.

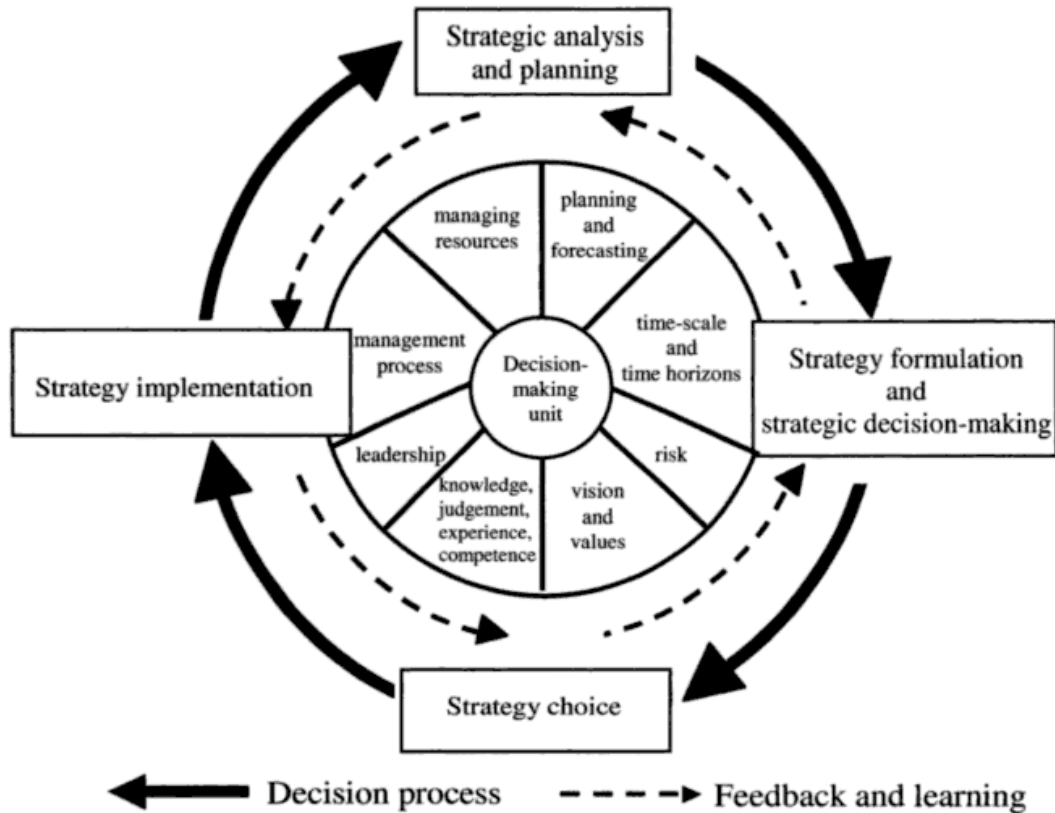


Figure 1 – Strategic Management Model (Source:Morden (2007) )

An example of a complete, practical and recent strategic management model is the one developed by Dr. Thomas L. Wheelen and Dr. J. David Hunger (figure 2).

As it is possible to observe in figure 2, this model includes the four principal items of strategic management: Environmental scanning, strategy formulation, strategy implementation and evaluation and control. All these items should be taken in consideration, as they are important on their own, and have their particularities, which are explained by Wheelen and Hunger (2011) in a clear and concise way. As this model serves as a guide to perform my business plan, I clarify each of these items in detail when I explain my own business strategy.

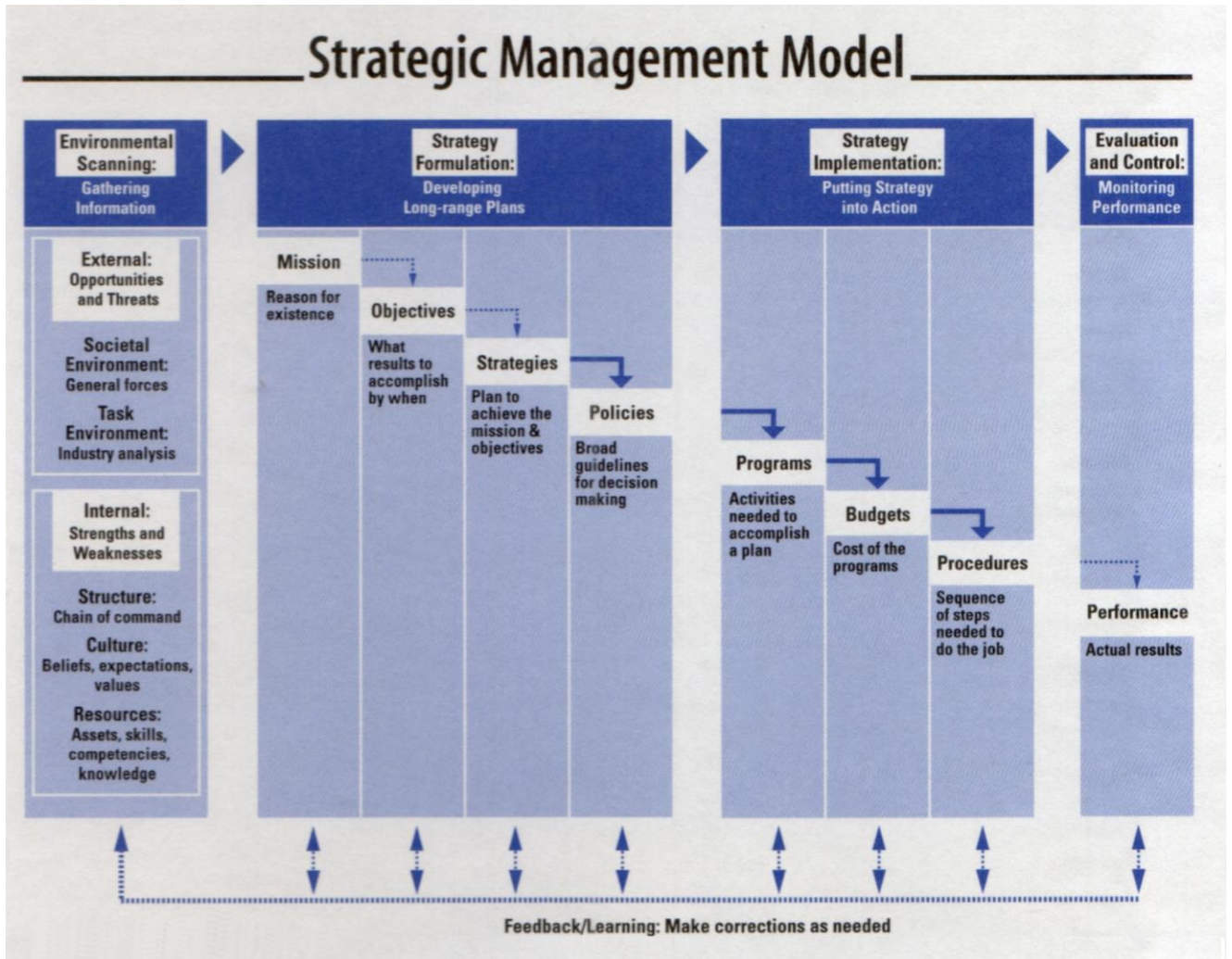


Figure 2 – Strategic Management Model (Source: Thomas L. Wheelen, J. David Hunger (2006) Strategic Management and Business Policy 10th Ed., Pearson Education, Inc)

## 3.2 Business Plan

### 3.2.1 Concept of a business plan

There are innumerable definitions for explaining the meaning of a business plan. However, I think that some of these definitions are too complex having in consideration what a business plan really is. Also in one of my researches I found a definition I think describes exactly what a business plan is, in a more clear and simple way.

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A business plan is any plan that works for a business to look ahead, allocate resources, focus on key points, and prepare for problems and opportunities that can appear. In other words, it is like a map and a compass for a business. With a plan you set objectives, establish priorities, and provide for cash flow.

Unfortunately, many people think of business plans only for starting a new business or applying for business loans. But they are also vital for running a business, whether or not it needs new loans or new investments. Businesses need plans to optimize growth and development according to priorities.

A business plan is useful in a high number of ways. First and foremost, it defines and focuses our objective using appropriate information and analysis. It is also possible to use it as a selling tool, in dealing with important relationships including our lenders, investors and banks and our business plan can uncover omissions and/or weaknesses in your planning process. The plan can be used to solicit opinions and advice from people, including those in our intended field of business, who freely give us invaluable advice. Too often, entrepreneurs forge ahead ("My Way!") without the benefit of input from experts who could save them from potentially disastrous mistakes.

### 3.2.2 Some aspects to take in consideration

While doing a business plan it is important to take in consideration certain aspects such as placing some reasonable limits on long-term (over five year) future projections. It is better to stick with short-term objectives and modify the plan, as our business progresses. Too often, long-term planning becomes meaningless because the reality of our business can be different from our initial concept. Another thing to take in consideration is avoiding language or explanations that are difficult to understand and not ignoring spelling out what our strategies are.

Finally, while performing a business plan, one must be able not to depend entirely on the uniqueness of our business or even a patented invention. Success comes to those who start businesses with great economics and not necessarily great inventions.



### 3.2.3 What should be included in a business plan

According to Trainer (2004), a business plan should include the following topics: 1) Market analysis - looks at the industry that we are entering and how we fit in; 2) Marketing plan – my own marketing strategy; 3) Management plan - how I manage my business; and 4) Financial plan - how I finance my business, costing and financial projections. Additionally, the figure below (figure 3) shows exactly the linking of the measurement system in a business plan at this initial phase.



Figure 3 – Linking the Measurement System (Source: Penn State University, Office of Planning and Institutional Assessment)

However, what a business plan should become is something like what is represented in figure 4, meaning that everything happens based on the pillars which lead to its creation, and whereby the company conducts itself in an interconnected way and, at the same time, in a natural way.

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Figure 4 – Integrating Planning, Assessment, and Improvement Within Units (Source: Penn State University, Office of Planning and Institutional Assessment)

Hereupon, I must say that for the ideal structures, and having in mind this is still an initial phase, is it doubtlessly more logical to follow the graphic showed on figure 3. Meanwhile, when the business plan starts becoming more structured, that is when the graphic on figure 4 must be started.

### **3.2.4 The main reasons to update a business plan**

A new financial period is about to begin so there must an update to the plan annually, quarterly or even monthly if our industry is a fast-changing one.

The need for financing, or additional financing so lenders and other financiers need an updated plan to help them make financial decisions.

A significant market change, such as a shifting in clients' tastes or a consolidation in trends among customers, and altered regulatory climates can trigger a need for plan updates.

A firm develops or is about to develop a new product, technology, service or skill. If the business has changed a lot since its plan was written the first time around, it is time for a new update.

There has been a change in management. New managers should get fresh information about the business and their goals.

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Last but not the least the old plan doesn't seem to reflect reality anymore. Maybe a poor job was made last time; maybe things have just changed faster than expected. But if the plan seems irrelevant, there should be written another one.

Through this literature review I could conclude that for beginning a business it is necessary to take in consideration many aspects, namely a good business plan based in a good strategic management plan, and to do that this literature review is very helpful, because without it I feel lost and without a course to follow.

Now I know exactly what I have to do and how to do it the best way, following the items and the steps above presented and explained.

## 4 Market Analysis

### 4.1 External Analysis

#### 4.1.1 Demographic Factors

As it can be seen in figure 5 the forecasts is not good for people who want to open a business where the target is young people, because there has been a decrease of young population between 2000 and 2009 and it is expected that this decrease will continue in the next few years.

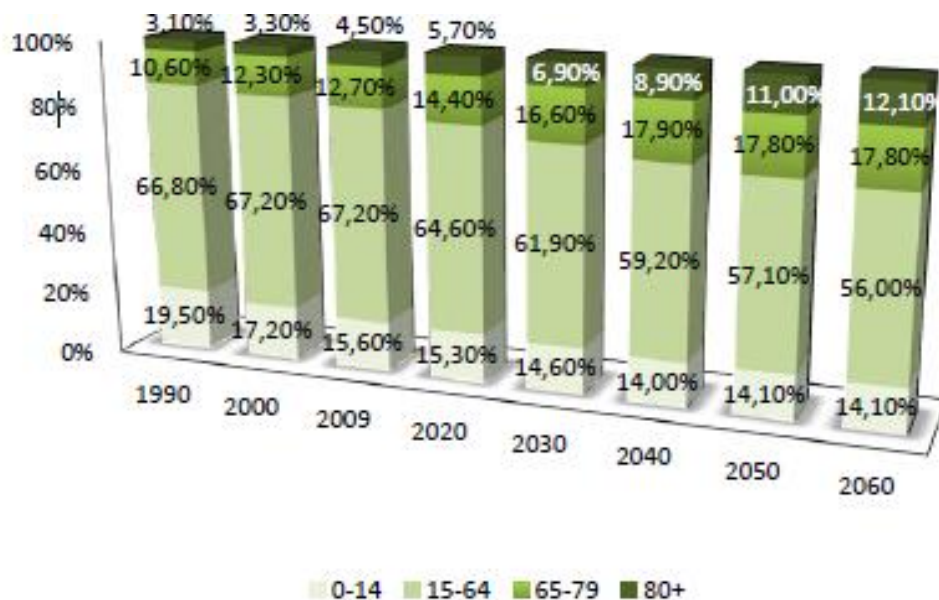


Figure 5 – Demographic Evolution in Europe (Source: Eurostat)

Nonetheless, when talking about demographic factors in Portugal it must be taken in consideration the fact that the population is becoming more aged, but, there will always be young people. The business target is the lower layers of the demographic pyramid. However, when looking at this indicator it must understood that there is a strong connection between these and the geographical factors. For example, if I want to open a business in Alentejo for children it is certainly not the best place to do it because most part of population over there is old people.

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In this particular case I intend to open my business in Alverca, a city with 31070 inhabitants (2011) of whom 7920 are aged between 0-25 years (Annex 1).

### 4.1.2 PESTEL Analysis

Because it is an innovative project, the PESTEL gains an additional importance, once all inputs that may come in the external analysis are used as a starting point and there is still nothing concerning the internal analysis. In this PESTEL analysis we find the political factors together with the legal factors once they are associated. With regard to the environmental factors, as these don't represent such an important role for the realization of the project, they were not put in.

#### 4.1.2.1 **Political and Legal Factors**

Currently in Portugal, people are living a phase that encourages people to be entrepreneurs and have new ideas for new businesses. As example for that, there are the several investment plans for innovative projects both by banks and some associations.

However, it must be taken in consideration that the VAT (value-added tax) is now fixed in twenty three percentages for this type of business, which is a big rate.

It is possible to set up a company in 24 hours, once most part of the process is computerized and so, in one day, it is possible to do all the things necessary to create the company. But for opening the business more days are needed because there are some licenses that take more time, for example the operating license, which is only possible to get at the city hall.

#### 4.1.2.2 **Economics Factors**

A very important statistic data is Gross domestic product at market prices, in the last three years a diminution of this indicator has been witnessed: 172.859,5 in 2010; 171.064,8 in 2011 and 165.409,2 in 2013 (Annex 2).

Another relevant indicator that must be taken in consideration is the fact that it has become more difficult to get a loan in Portugal because of the crisis lived nowadays. The banks just loans money if someone gives some guaranties (houses, cars or good guarantors).

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There is another bad indicator: the consumption decreased in the last year in Portugal in Total Consumption, and if an analysis for each item is made, just in the consumption of Non-durable goods (food and beverage products) there is an increasing. All other items verify a decreasing (Annex 3), which isn't good news.

Although the crisis is a bad thing, sometimes good opportunities can appear, for instance regarding to the loans, it is possible to get a better bank interest rate now than it was two years ago (Annex IV).

One other bad indicator that must be taken in consideration is the public debt. As it can be seen in annex V, in the last five years this indicator increased a lot, which is a bad thing for Portugal and for those who intended to invest in this country.

Unfortunately there is another negative indicator which is the average income of families: in 2010 it was 32116.9 whereas, in 2012 it was 30832.9 (annex VI).

### 4.1.2.3 Socio-Cultural Factors

Nowadays it grows more and more important to be a qualified person in order to become competitive in the market, so this kind of business represents a very important role in the development of young people.

Schools are much overloaded in Portugal, because of the crisis the government has reduced a lot the number of teachers per school so, in many situations the parents have to manage to get some support outside, specialized support in most of the cases. Parents used to be able to help their children but currently it's very difficult because their work occupies most of their time, so they don't have much time to be there for their children. Therefore, this type of business wins a very important role.

### 4.1.2.4 Technological Factors

As it is known, the technological evolution in Portugal was astonishing in the past few years.

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In 2002, only 27.4% of the students (elementary school students, high school students and university school students) used a computer. Whereas, in 2012, 62.4% of the students used computers, as it can be seen in the annex VII.

About the internet, in 2002, only 19.2% of the students (elementary school students, high school students and university school students) used it. Whereas, in 2012, 60.3% of the students used the internet, as it can be seen in the annex VII.

It is estimated that these values will keep increasing for the next years due to the technological evolution people are living nowadays.

The expenditure on research and development in % of GDP doubled between 2001 (0.8%) and 2010 (1.6%), (Annex VIII).

### 4.1.3 Competitors Analyses

#### 4.1.3.1 Competitors Identification

Concerning the competitors, it is only relevant to consider the tutoring/study centers since the core business of this business is education and teaching. Hereupon, despite the fact that my project also contains a cafeteria service, I not take in consideration any cafes or pastries because those are not part of my core business.

Therefore, I consider as competitors the tutoring/study centers and the municipal library in Alverca.

#### 4.1.3.2 Direct Competitors Analysis

Direct competitors: Tutoring Centers

I have decided to aggregate the different characteristics of the competitors in a table (table 1) to facilitate the analysis between competitors.

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Table 1 – Direct Competitors Analysis

	Structure	Tutoring Sessions	Hours of operation	Registration price	Price per session
<b>Oficina Fonte do Saber</b>	2 rooms	Primary school, elementary school, high school, university;  All subjects	According to students' needs	According to the type of tutoring	<p>Practiced prices can't be revealed on the phone.</p> <p>The prices vary according to the number of tutoring sessions. After telling the center's owner I was making a market study, he told me he would give me a lower price than the lowest I found during my research.</p>
<b>Notamais</b>	2 rooms and home tutoring	Primary school, elementary school, high school, university;  All subjects	<p>Monday to Friday from 9h-13h and from 15h-19h</p> <p>Saturday from 9h-13h</p>	30€ annual	<p>University classroom or home in Alverca: 24.5€/hour</p> <p>High school classroom or home in Alverca: 19€/hour</p> <p>High school 2h per week: 99€/month</p> <p>Intensive preparation 30h for national exams: 260€</p> <p>Primary school 2h per week: 70€/month</p> <p>Elementary school classroom or home in Alverca: 14€/hour</p>



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	Structure	Tutoring Sessions	Hours of operation	Registration price	Price per session
<b>School's Cool</b>	4 rooms	Primary school, elementary school, high school	from 10h to 21h	12€	<p>Primary School, Elementary School and High School individual 1 hour: 13.53€</p> <p>Primary school, Elementary school and High School group 1 hour: 11.70€</p>
<b>Centro de Explicações</b>	2 rooms	Primary school, elementary school, high school, university; All subjects	Between 10h and 21h according to the arrangement with tutors.	15€ annual	<p>University: 27.5€/hour</p> <p>High school (12<sup>th</sup> grade) 2h per week: 115€/month</p> <p>High school (12<sup>th</sup> grade) 1h per week: 57.5€/month</p> <p>High school (11<sup>th</sup> grade) 2h per week: 110€/month</p> <p>High school (10<sup>th</sup> grade) 2h per week: 105€/month</p> <p>Primary school 2h per week: 100€/month</p> <p>Elementary school 2h per week: 70€/month</p> <p>Elementary school 4h per week: 90€/month</p>

BUSINESS PLAN FOR AN INNOVATIVE TUTORING AND STUDY CENTER

	Structure	Tutoring Sessions	Hours of operation	Registration price	Price per session
<b>Explicador</b> <b>Ângelo Pereira</b>	1 room	Primary school, elementary school, high school, university; Mathematics and Physics.	Monday to Friday from 9h-13h and from 14h-21h30m  Saturday: According to students needs	-	University group: 15€ per session High school group: 10€ per session Primary school group: 7.5€ per session Elementary school group: 7.5€ per session

Tutor Angelo Pereira Pereira doesn't own a business, he works on green receipts. However, he is very well known around Alverca. The reasons why he can practice such low prices are: he doesn't have any site nor communication strategy except for moth-to-moth; he works alone; the place where he tutors is a rented store without any kind of design or decoration; and at last, the more relevant of all facts is that he has got 6 student (most of them from different curricular years) per hour, average, starting at 9h till 21h30.

In the last column, where prices per session are mentioned, those which don't have a distinction between individual and group sessions it's because the center doesn't make that distinction: the sessions are individual or in group according to the needs.

After this analysis, it is possible to conclude that the supply is all similar (tutoring in classrooms with similar prices). Only one of the tutoring centers has innovated by creating tutoring at home, all others haven't innovated at all.

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4.1.3.3 Indirect competitor Analysis:

Table 2 – Indirect Competitor Analysis

	Structure	Hours of operation	Supports
<b>Municipal Library</b>	<p><b>Juvenil Room:</b></p> <p>5 tables with 4 chairs each; 2 individual tables with 1 computer each and 2 individual sofas</p> <p><b>Adults Room:</b></p> <p>9 tables with 4 chairs each; 2 individual tables with 1 computer each and 2 individual sofas</p> <p><b>Newspapers and Magazines Room:</b></p> <p>2 tables with 4 chairs each and 2 individual sofas</p>	<p><b>1<sup>st</sup> July till 31<sup>st</sup> August:</b></p> <p>Monday: 14h – 17h30m</p> <p>Tuesday: 10h – 21h</p> <p>Wednesday/Thursday/Friday: 10h – 19h</p> <p>Saturday: 10h-13h and 14h – 17h30m</p> <p><b>1st September till 30st June:</b></p> <p>Monday: 14h – 17h30m</p> <p>Tuesday: 10h – 21h</p> <p>Wednesday/Thursday/Friday: 10h – 19h</p> <p>Saturday: 10h-13h and 14h – 17h30m</p> <p>Annual closure:</p> <p>1<sup>st</sup> - 15<sup>th</sup> August</p>	<p>Books; Printer; Internet Wireless; newspapers; magazines and people specialized in libraries</p>

I only considered the Municipal Library because it is the only “study center” in Alverca. The Tutoring Centers I considered in the analysis of direct competition, none of them includes both tutoring and study centers. I hope that a few months after I finish my thesis this situation will change.

#### 4.1.4 Michael Porter's Five Forces Model

The characterization of a market, from a strategic point of view, is done through the explanation of the determinant competitive factors of that same market, its evolution and the connection established between these two items. Thus, the model of the 5 Forces of Porter (figure 6) points out to five factors, identified as the 5 competitive forces: Bargaining Power of Suppliers, Bargaining Power of Costumers, Competitive Rivalry, Threat of New Competitors and Threat of Substitute Products.

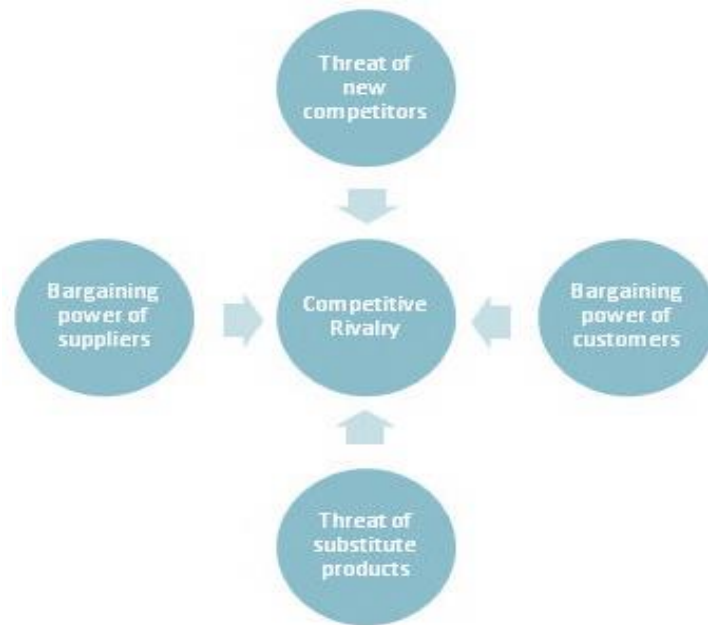


Figure 6 –Michael Porter's Five Forces Model

##### 4.1.4.1 **Competitive Rivalry**

Concerning the degree of rivalry, I considered as the most important factors:

##### Number of Competitors

Considering the number of competitors, as it has been analyzed before in the competitor's analysis, there are four tutoring centers and a tutor who Works on his own. Most certainly, there are more tutors who work on their own but of less relevance. As it has already been analyzed before and given that Alverca has got around 7920 people between 0-25, the supply isn't much, which means the merger of competitors is not very high.

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### Product Differentiation

The competitors adopt a traditional approach to the market, with low differentiation. As it has already been analyzed before in the competitors analysis, all the centers offer the same. Only one center has got a differentiated service. Therefore, there is a great rivalry because the services are very similar.

### Costs of Leaving Market

The costs of leaving the market are not very high, once these tutoring centers only have, in its majority, around two or three tutoring rooms in a rented place. These rooms are equipped with tables, chairs and a board but not much more than that. Therefore, the costs of leaving the market are very low, only the rent stops being paid and the equipment acquired is sold (which in not a lot). This factor increases the rivalry between competitors.

### Customer's Loyalty

Having in mind that tutoring centers are practically all the same when it comes to its infrastructures, that is two or three poorly equipped rooms in a rented space, clients tend to create very few bonds with the spaces. So, their fidelity is, most of the times, directed not for the tutoring center itself but for some tutors. Thereby, it can be said there is a certain rivalry in what Customer Loyalty is concerned.

### Industry Growth

The registered growth in this industry in Alverca has been slow, which leads to a bigger rivalry between competitors.

All in all, Rivalry in this business is high.

#### **4.1.4.2 Threat of New Competitors (Barriers to Entry)**

I assumed the following factors as major barriers to entry for competitors in this sector:

### Capital Requirements

Has it has already been possible to infer through the analysis of the costs of leaving the market, the capital necessary to invest for initiating the business is low, once the necessary materials are

## BUSINESS PLAN FOR AN INNOVATIVE TUTORING AND STUDY CENTER

also very few and low priced. Thus, this factor does not represent a barrier to the entrance of new competitors.

### Customer's Loyalty

Having in mind that tutoring centers are practically all the same when it comes to its infrastructures, that is two or three poorly equipped rooms in a rented space, clients tend to create very few bonds with the spaces. So, their fidelity is, most of the times, directed not for the tutoring center itself but for some tutors. Therefore, this factor does also not represent a barrier to the entrance of new competitors, once the student who is now going to initiate tutoring does still not have any preferences on the tutors, and in this market there is a huge rotation of students.

### Product Differentiation

As it has already been analyzed before in the competitors analysis, all the centers offer the same except for one center which has a differentiated service. So, this point does also not represent a barrier to the entrance of new competitors because it is too easy to copy what already exists.

### Specialist Knowledge

There is no specialized knowledge in this business because the necessary human resources are tutors and these only have to have a degree on the subject they are going to be teaching. They can be teachers or graduates in the area. This is another point which does not represent a barrier to the entrance of new competitors.

### Technology Protection

In what Technologies are concerned, there is not anything very relevant, once Technologies are practically inexistent (only a computer to book tutoring sessions). This way, this is another point which does not represent a barrier to the entrance of new competitors.

### Economies of Scale

The economies of scale in this type of business are inexistent, because, as much as the number of students increases the costs will still be the same. This point does also not represent a barrier to the entrance of new competitors.

#### 4.1.4.3 Threat of Substitute Products

The identification of substitute products is done through a research of other products which can execute the same function in the industry. Because it is a business of services, and there are no other services that can replace it, substitute products represent no threat.

#### 4.1.4.4 Bargaining Power of Suppliers

The supplier dimension and concentration and the switching costs are the most important factors to consider during the supplier power analysis.

##### Supplier Dimension and Concentration

Once again, because this is a business of services, which consist in tutoring sessions, the tutors can be considered as suppliers. With the crisis in Portugal, professors as well as other professionals became unemployed, resulting in cheaper “labor”.

##### Switching Costs

The costs of changing tutor are practically inexistent, once almost all of them get paid via green receipts and not contracts.

As it is possible to perceive through the analysis of the two factors describes on top, the power of suppliers in this business is very low.

#### 4.1.4.5 Bargaining Power of Customers

To the buyer’s power analyses, the following factors are considered to be the most important:

##### Price Sensitivity

In a time of crisis like the one lived in Portugal, it becomes fundamental that this type of services doesn’t represent a very bulky expense to a family’s budget. This is why clients are sensible to prices. However, given the geographical region in analysis, the prices do not vary much from center to center, and these are not very high, when compared with other geographical areas in the country. However, the search for lower prices among clients is becoming more usual every day.

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### Cost of Changing

As there is no kind of customer loyalty, it becomes easier for clients to make a switch of tutoring center. The worst part is when you have to pay again the amount of the registration. But in some centers this amount doesn't exist and those in which it exists it is lower. This is a factor which gives a lot of power to clients.

### Size of Costumers

Although there are a lot of potential clients, the number of effective clients isn't very high, once the parents try that their children have all the help and support necessary in school so they don't have to spend any money in extra services. This is another factor which increases the power of clients because, as they are not much, costumers must be made as loyal as possible.

### Buyer Information

Clients are informed about how the business is processed and they have an idea of the average prices that are practiced. However, the clients who go around visiting lots of tutoring centers before opting for one are rare. They usually follow advice from people close to them or they go to the first one they find. They might check two or three maximum and then choose. As the clients are informed, but not totally because they don't have the patience to go to all establishments or a big part of them, this factor doesn't give them a lot of power.

### Purchase Volume

Despite the fact that clients can't buy in volume, they can always adjudicate initially a set of tutoring sessions by making the center end up charging less for each session. But if the client only buys one session once at a time the amount to pay will be the one established for each session. This is a factor which attributes some power to clients.

### Diversification of Supply

As it has already been analyzed before, the supply is practically all the same except for this one center which makes it possible to tutor students at home. In doing so, this factor becomes another one which attributes power to clients, once they can't perceive the differences between the various centers because these almost don't exist.



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By analyzing all these indicators it can be concluded that clients have a lot of power.

In summary, this is a business with very few competitors, which leads to a lot of rivalry. There are no substitute products because it is a very specific service. Because it is a small and relatively simple business, it is easy to enter the market by opening a new business of your own. Once the suppliers are the tutors and there are a lot of them, suppliers have very little power in this market. By contrast, clients have a lot of power, because of the costs to change for another center being practically inexistent and the supply practically the same.

### **4.2 Internal Analysis**

The internal analysis is, in some way, evidenced in my marketing plan, once this is an innovative project which still does not exist. Therefore, it is possible to consult this analysis' relevant factors, having in mind it concerns a still non-existent project in the next point of this thesis.

## 5 Marketing Plan

In this chapter I explain all of my service, how it works, all the things that it involves and what the name of the service is, which is possible to see in the middle of the SWOT Analysis figure bellow in this page - EXPLICA-ME.

### 5.1 Dynamic SWOT

In the SWOT analysis above, I have considered as strengths those which I intend my business to have and as weaknesses I've considered those I think might appear in the future. The opportunities e the threats have to do with the external environment, so is done in the traditional way.

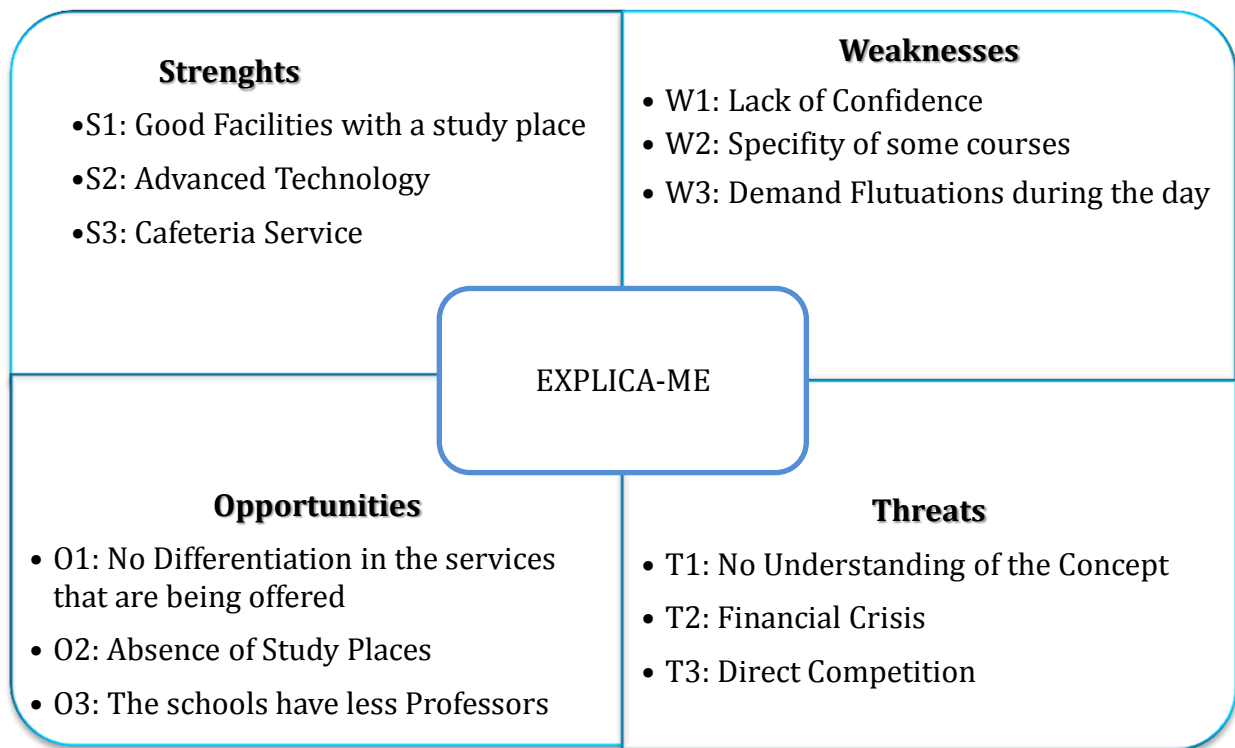


Figure 7 – SWOT Analysis

The strengths as well as the weaknesses in the SWOT analysis were also based on a questionnaire (Annex IX) made to a hundred high school students and a hundred university students which correspond to the majority of my target. The strengths are entirely connected to the question: why

## BUSINESS PLAN FOR AN INNOVATIVE TUTORING AND STUDY CENTER

would I frequent the center? (Annex X), while the weaknesses are directly connected to the question: why wouldn't I frequent the center? (Annex XI). After doing the dynamic SWOT, I analyze the combination between the points inside it. Before each topic I put a letter and a number that correspond to the topics presented in the SWOT which I associate. The objective is to understand which points have correlations between them and how they are related.

Table 3 – Dynamic SWOT Analysis

<b>S1, O2</b>	The fact that the project I am elaborating contains Good Facilities and a Study Place will bring solutions to the lack of Study Places.
<b>S1,S2,S3, O1</b>	Once the project elaborated includes Good Facilities, Advanced Technology, Study Place and Cafeteria Service, it will be a service differentiated from all the others.
<b>S1,O3</b>	Considering that nowadays schools have less and less teachers, the time they manage to help students outside the classroom is very few, which makes it determinant to have Study Places with specialized people to help students when they need it.
<b>S1, S4, T1</b>	Because this Project includes a Tutoring center, Study Place and Cafeteria Service, at first it can become a bit confusing for clients.
<b>S1, S2, S3, T3</b>	Through Good Facilities, Advanced Technology, a Study Place and Cafeteria Service this project guests differentiated from all competitors.
<b>S1, S2, T2</b>	Having Good Facilities, Advanced Technology and a Study Place has its cost for the business. However, quality and differentiation is often considered as a plus value by the consumer, which despite the financial problems can make this product worth having.
<b>W1, O1</b>	The Lack of Confidence is compensated by the need to have a differentiation Service and Study Places.
<b>W1, T1</b>	The no understanding of the concept can increase the Lack of Confidence.

<b>W1, T2</b>	The Lack of Confidence allied to the Financial Crisis, can be a combination that makes clients hesitate when they are supposed to take a risk on the experience.
<b>W1, T3</b>	The Lack of Confidence can make the clients quit going to this center and choose another one where they might feel more comfortable.
<b>W2, O3</b>	The specificity of some courses can be faced with the fact that schools have less professors, once some of them are unemployed, so I can hire them to teach in the Center
<b>W3, O2</b>	The demand fluctuations during the day are at part connected with the absence of study places, because with a study place it is possibly to combat these fluctuations by having students in the center all day.

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## 5.2 Mission, Vision and Values

### 5.2.1 Mission

The Mission of this business is providing to the maximum of the students the conditions to study and learn with all the comfort that they need.

### 5.2.2 Vision

The Vision of this business is creating a new concept in the mind of the costumers, where studying can be a good thing if people study in the appropriate environment with all the facilities and help from specialized people.

### 5.2.3 Values

For the success of this business I think there are four big values that have to be present:

Quality: When talking about education it has to be ensured that it is good;

Responsibility: The center will receive a lot of students that are under aged, so it's fundamental to transmit responsibility to their parents;

Results: This value is absolutely important because a Tutoring Center lives of their results.

Comfort: This value is important too, because if the center has a part with a study room, it is essential that this room is very comfortable in order to make students feel good.

## 5.3 Segmentation, Targeting and Positioning

### 5.3.1 Segmentation

In order to do the segmentation of the market, at first it is necessary to understand it. For that, I have made a small analysis about education in the city of Alverca.

Alverca has one high school (10<sup>th</sup> to 12<sup>th</sup> grade) with 1444 students. Besides that, Alverca has one elementary school (5<sup>th</sup> to 9<sup>th</sup> grade) with 1054 students and five primary schools (1<sup>st</sup> to 4<sup>th</sup>) with 712 students. All these schools together have 3210 students, which is a very interesting number for my business. In addition to that, Alverca has a private school too, with around 410 students (secretariat of CEBI) divided between 1<sup>st</sup> and 9<sup>th</sup> grade.

Although there isn't any university in Alverca, as it can be seen by the demographic data in Annex I, Alverca have 3066 people aged between 15-24 years, sendo que 29,7% dos jovens entre os 18 e os 22 anos se encontram no ensino superior (Annex XII) pode estimar-se que cerca de 900 das 3066 pessoas estão no ensino superior, a very interesting number. Therefore I divided it in four segments, following the criteria of scholarity (figure 8).

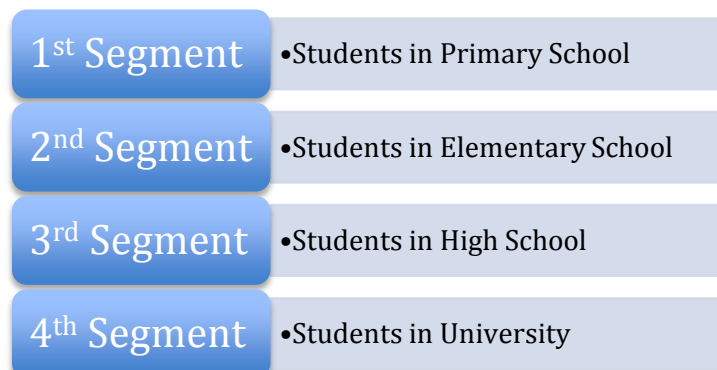


Figure 8 – Market Segmentation

### 5.3.2 Targeting

#### 5.3.2.1 **First Level of Targeting**

My first level of targeting corresponds to the second, third and fourth segments, Students in Elementary School, High School and Students in University respectively, because they are older than the other students which makes more sense for this kind of business, once it is easier for an older student to go to the Study center and then have one or two tutoring sessions than a younger student who usually doesn't walk around by himself. Aside from this topic, there must also be taken in consideration the fact that this is the neediest public because the programmatic contents start being more demanding since Elementary School.

#### 5.3.2.2 **Second Level of Targeting**

My second level of targeting is the first segment, students in Primary School. Despite not being the main focus of my business, they can also be a significant part of it, once nowadays the exigencies at school start earlier.

### 5.3.3 Positioning

#### 5.3.3.1 **Identification**

It is a Tutoring Center, which is inserted in the Education Market

#### 5.3.3.2 **Differentiation**

It is a Tutoring Center with a Study Place and a Cafeteria Service, all the services together in the same place.

#### 5.3.3.3 **Golden Triangle**

##### Consumers' Expectations

To sustain the idea of the consumers' expectations I have created a questionnaire, which has already been mentioned before. In this questionnaire, one of the questions is about understanding if people would be willing to attend a tutoring center like the one developed in this thesis (Annex XIII). From the 200 students inquired, 80% have affirmed yes, and from that it can be deduced that in what the consumers' expectations are concerned, consumers hope for something different

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from the competition, something new and innovative. That is why they said yes, that they would like to frequent a center like the one we're developing.

### Potential Assets of the Service

This topic is also substantiated through one of the questionnaire's question which is: why would you attend this center? (Annex X), as well as what has been used to designate the strengths in the SWOT analysis.

### Competitive Positioning

As it is possible to see in the competitive analysis, in Alverca the tutoring centers have low prices and there is no differentiation between them.

All in all, it can be seen below (figure 9) the topics approached.

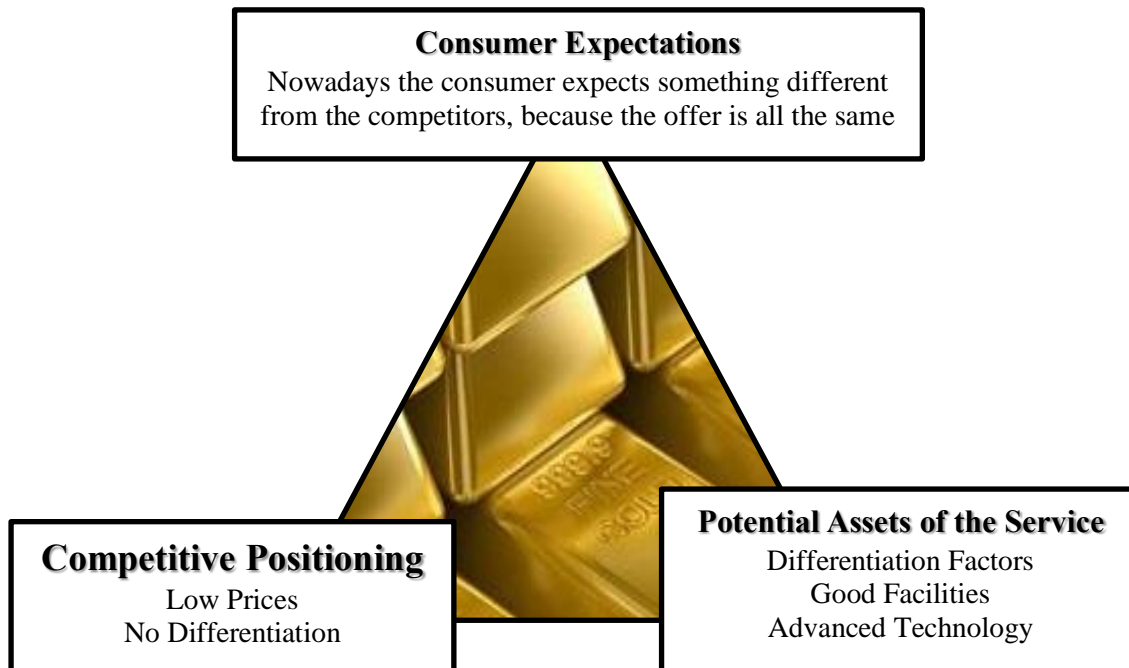


Figure 9 – Golden Triangle

#### 5.3.3.4 **Tone of voice**

The tone of voice that I want to create revolving my brand is the responsibility but at the same time the comfort, that is demonstrate that it is possible to work with responsibility in order to achieve the established results but in a pleasant and comfortable way. A “chill out” study with responsibility.

### 5.4 **Services Mix**

I’ve decided not to do the traditional approach, that is, the marketing mix with the four P’s. First of all because my project is about creating a service so it makes more sense to create a services mix than a normal marketing mix; second of all, it can’t be a “normal” services mix, because this service is quite specific, and in order to do a good work I think that in this type of business a services mix with the eight p’s should be created. The eight p’s are: Product/Service, Price, Placement, Promotion, People, Process, Physical Evidences and Productivity and Quality.

#### 5.4.1 **Product/Service**

##### 5.4.1.1 **Concept**

The Tutoring and Study Center EXPLICA-ME is a service, because it is something intangible. This is a service Business-to-Consumer and the core business is the Tutoring.

Service Basis: The Tutoring

Complementary Services: Study Room and Cafeteria Service

##### 5.4.1.2 **Characteristics**

This service is inserted in the education market. That is, tutoring in the Tutoring part of the center and help studying in the Study part of the center. This service as also associated a Cafeteria service, which essentially allows students to eat and to drink something while they are studying.



## 5.4.2 Price

### 5.4.2.1 Price Strategy

I've decided to opt for a price strategy based on the competitors. I will establish my prices according to the average price used by competitors with the advantage that clients will be able to precept more value in the services. Then, I will be taking a risk in a double price strategy, once I will establish prices similar to those established in the market, but I will have a service differentiated from competitors.

### 5.4.2.2 Policy of Price

The policy of price adopted is "Value for Money". People will precept that the offered service is indeed worth the money paid, because it has quality and it is different from other competitors, given the fact that it has a bigger diversity of services within the service itself.

### 5.4.2.3 Price Strategy Relational

This strategy's purpose is to build customer loyalty by:

Offering a 10% discount if the client brings a friend or family to subscribe as well;

For each person a client brings to the center, the client wins a 10% discount in the next year's payment; Offering a 10% discount if the client books 10 or more tutoring sessions;

Offering a 15% discount if the client books 2 tutoring sessions per week for 3 months;

Offering a 20% discount if the client books 2 tutoring sessions per week for 6 months.

### 5.4.2.4 Price Setting

Each tutoring session lasts around 1 hour. As my price strategy is based on the competitors, the prices presented in table 4 will be the ones I will establish in my center, which corresponds to the average price of my competitors. In specific cases like the sessions with specialized tutors for one student only in a specified time, the price will be defined with the student, according to the values practiced in the Center and the values that I have to pay that specific tutor (it is variable).

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Table 4 – Price Setting

	Average price of competitors
Tutoring sessions for university individual	26 € per session
Tutoring sessions for university group	20 € per session
Tutoring sessions for high school individual	19 € per session
Tutoring sessions for high school group	15 € per session
Tutoring sessions for primary school individual	15 € per session
Tutoring sessions for primary school group	10 € per session
Tutoring sessions for elementary school individual	15 € per session
Tutoring sessions for elementary school group	10 € per session

## 5.4.3 Placement

The placement is determinant in this type of business.

As Trujillo<sup>1</sup> said: “the most important variables are: Placement, Placement and Placement”. Trujillo considered this variable so important because it is a variable that can’t be changed.

The place chosen to create the business is in Praceta Dom Álvaro Vaz de Almada, Alverca do Ribatejo (the business that existed before in that place was a supermarket called Ponto Fresco). The place is near one primary school (100 meters), the high school (600 meters) and the Training Center (500 meters). This place stays in the middle of buildings with a garden in front of it, which is a very good place because there aren’t any cars doing noise. It is a place with 177 square meters with three different spaces: one place for the Tutoring with 6 rooms, one Place for the Cafeteria Service and one place for the Study Room.

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<sup>1</sup> Conference in Boston

## BUSINESS PLAN FOR AN INNOVATIVE TUTORING AND STUDY CENTER

With regard to accessibility to the place, there are plenty of parking spaces without parking meter, has the train station 600 meters long and is located practically in the center of Alverca do Ribatejo.

Considering the competition, the tutoring center - Notamais is located about 600 meters and tutoring center - Tutoring Center is located about 600 meters too, while the Tutoring centers - School's Cool and Oficina do Saber are around 1.5 kilometers.

It is a place with a lot of human traffic, because within 200 meters there is one school, two hairdressers, one supermarket, a lot of cafes, some restaurants, two stationers and other shops.

### 5.4.4 Promotion

#### 5.4.4.1 The Main Objectives

The main objectives of my promotion are essentially three: Explain the concept of my Business; Make the company known and promote the experience for people to come to the place and see how it works.

#### 5.4.4.2 Advertising

About advertising, I will distribute flyers (figure 10) in the stores of Alverca; distribute flyers (figure 10) in the schools of Alverca and talk to the students in their classes; distribute flyers (figure 10) in the streets of Alverca and explain the concept of the business; t-shirts (figure 11) with the company's logo and create brochures.

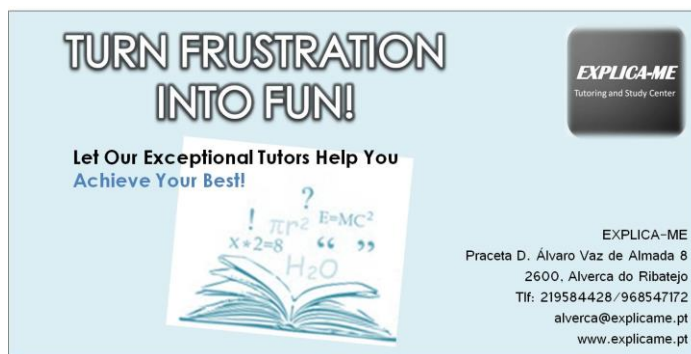


Figure 10 – EXPLICA-ME center's Flyer



Figure 11 – EXPLICA-ME center's T-shirt

#### 5.4.4.3 Events and Experiences

An Event to celebrate the inauguration – Through this free event I can promote and explain my concept of business.

Opening Day – This is a day when anyone can go to the EXPLICA-ME Center and see how everything works: the tutoring sessions, the study Center and the cafeteria service without paying anything.

#### 5.4.4.4 Digital Communication

In Digital Communication I will focus my attention in three means of communication: a Website, which will be very simple, clean, easy to use and easy to book Tutoring session; a Facebook page, that will be dynamic and with inform about competitions and Events; and at last create a Newsletter which will be sent to costumers, but only one per month because more than that I would consider as spam

#### 5.4.4.5 Relational Marketing

About Relational Marketing, I will use two different strategies. The first one is giving discounts, as I mentioned before, to clients who bring other clients. Second one, creating a partnership between the EXPLICA-ME Center (figure12) and a HR Fitness Club (figure 13) because it is important that students stimulate not only the brain but also their bodies in order to keep healthy. The partnership will be very simple: I will annunciate the two HR Fitness Clubs in the Tutoring and Study Center and the HR Fitness Clubs annunciate my Center in their facilities.

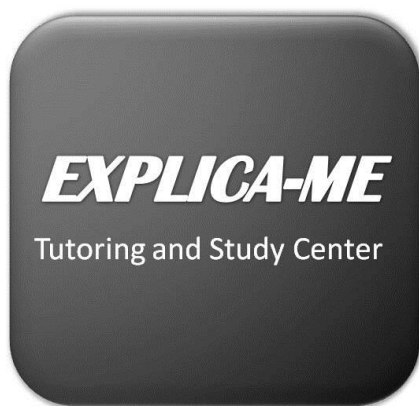


Figure 12 – EXPLICA-ME center's logo

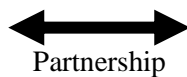


Figure 13 – HR's logo

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### 5.4.4.6 Merchandising

Promotional Gifts - Create pens, pencils, rubbers (figure 15), t-shirts (figure 11) and pen-drives (figure 14) with the logo of the company to give in some events.

For Selling - Create pens, pencils, rubbers (figure 15), t-shirts (figure 11) and pen-drives (figure 14) with the logo of the company to sell in the Tutoring and Study Center.



Figure 14 – EXPLICA-ME center’s pen drive



Figure 15 – EXPLICA-ME center’s rubber

### 5.4.4.7 Word-of-mouth Marketing

After the initial objective, which consists in making the company known, investments in communication will suffer a decrease, since the spread of the "message" will be done by word of mouth by the customers themselves, as soon as they realize how much quality the service has to offer.

The key to make this type of communication possible and beneficial is to establish a good relationship with the client, and the maintenance of this relationship, causing it to become a real seller of the company, helping to boost sales to new customers.

#### 5.4.5 People

In my opinion this is the most important topic in services mix, because when talking about a service which basically consists on dealing with people, the business should be prepared to welcome clients the best way possible, because that is what is going to make them decide if they are coming back or not.

Previously I haven't mentioned the situation of tutor Angelo Pereira because I think this is the right topic to talk about it, once it is also in here that I tell whose tutors and why they will work in this business.

As partners/managers there will be two people: me and a person I truly trust and with whom I have lived and known for over more than 10 years.

I am graduated in Marketing Management and I'm almost finishing my master degree also in Marketing Management. I have also done an initial training course for trainers which habilitate me not only to give training but also to be able to tutor.

The other partner in this business is also graduated. This factor is very important once it also makes us able to tutor in specific curricular unities.

We will have as main functions the entire center's management including the cafeteria service, meaning we will be the first to enter the tutoring center and the last to leave, too.

Aside from us two, partners in this business, there will be five tutors: two of them will be working with us full time, while the other three will be working as a part-time job that is, only will go to the center when they have tutoring sessions, which doesn't mean they won't have days when they'll be there all day.

The first tutor who will work full-time is tutor Angelo Pereira, the same one I have already mentioned before in this thesis. He is a very well-known and respectful tutor around Alverca. He only gives tutoring sessions in a rented store which doesn't have many conditions but beside that he doesn't have many management skills (which is something he told me himself when I talked to him in order to make him part of this project). Thus, he told me it would be a pleasure to be

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part of the team. He has been tutoring students for over more than 10 years and he graduated twice in ISEL both times with an average of 19. It is clear that he is a very competent person and has a lot of skills as a tutor. There is also another extremely important factor which is related with the transference of students for the EXPLICA-ME center, having in mind that tutor Angelo Pereira has around 6 students per hour every day for 9 hours, which is a considerable number that I will be able to get as soon as the center opens. He will be a tutor whose target in the tutoring center will be university and high school students and he can teach any subjects related with Mathematics and Physics. He lives in Alverca do Ribatejo.

The second tutor who will work full-time is the nursery school teacher Emilia Nunes. She has been a teacher for over more than 25 years and she has already given tutoring sessions to 4th grade students. She is also graduated and at the moment she works at a school in Alverca, but she will retire, soon. She will be a tutor whose target will be elementary school and primary school students and she can teach any course in this target. She lives in Alverca and according to her ID (and mine) she is my mother. This last factor is very relevant given the fact that we are talking about a small business and also because it is always positive to surround ourselves with people we trust.

The third tutor will work part-time and he is an investigator whose name is Luís Gonçalo Alves. Graduated, Master and Doctorate in chemical investigation, Luis is working in investigation in the IST laboratories. He has already given tutoring sessions to university and high school students in the framework of chemistry and biology. Given the subjects and students he usually teaches, his target in the center is obviously university and high school students. At the moment he has two places of residence: one in Parede (Cascais Line) and the other in Alverca. Although it doesn't say in his ID, according to the records he is my brother, which is once again a very relevant factor in this type of business given the fact he is a person I totally trust.

The forth tutor will also be working part-time. She is Daniela Penela, graduated in management at ISCTE-IUL and at the moment she is finishing her master's degree in Hospitality and Tourism Management at ISCTE-IUL. Aside from that she is also tutoring students at home and in a tutoring center located in Telheiras, which is a surplus value because that is exactly what I want her to do in my center. She is also a person I really trust, once I've already had the pleasure to work with her in some projects at ISCTE-IUL and above all she is a dear friend to me. Her target

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in the tutoring center will be university and high school students and she teaches Economy, Mathematics, subjects related with Finances and Accountancy, and Geography at High School level. She lives in Alhandra, near Alverca do Ribatejo.

The fifth and last tutor is the investigator Rui Catarino, graduated and master in biochemistry. At the moment he is working on investigation at the Sciences University, he has already tutored students at home and along his school career he always revealed to have a lot of skills for curricular units related to mathematics. He is a close friend of mine whom I have known for more than ten years and I also trust him with all my heart. His target as a tutor will be high school students and he teaches Mathematic, Portuguese and English at High School Level and Biology and Biochemistry at any level of schooling. He lives in Alverca do Ribatejo.

There is also the possibility to arrange other tutors when a student requires tutoring sessions in more specific subjects such as geometries. After finding someone able to teach those subjects, then we can adjust the terms with the students in need (hours and prices).

In the presentation I have just made from each of the tutors, I have decided to put information about their places of residence because I think it is extremely important considering all the things it can cause. For example, if someone has to drive to go to work or move for a period of time equal or superior to 30 minutes, that person will always be someone who won't give as many guarantees as the ones given by someone who lives around 10/15 minutes away from their place of work, because if that person uses means of transportation there can always be something that will keep him/her late, such as a strike. And if that person goes by car, him/her can stay stuck in traffic or have an accident or maybe even a puncture. But for someone who lives near his/her place of work, these problems don't exist. In the figure below (figure 16) it can be seen the company's org comprising the people who will make part of the team and their functions.



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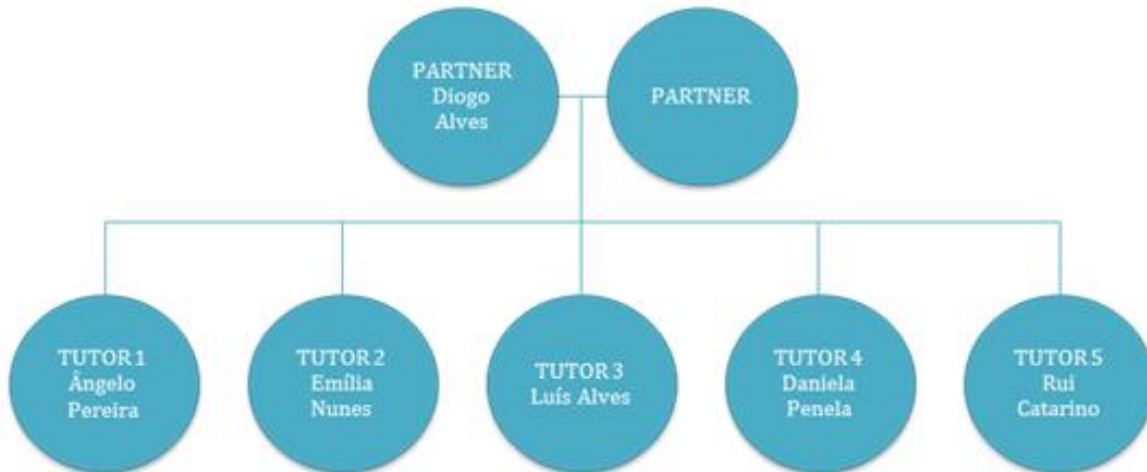


Figure 16 – EXPLICA-ME center’s Organogram

### 5.4.6 Processes

There are three big processes in this business: one is destined for those who go to the center to have tutoring sessions; other is the process for those who want to make the most of the study place; the last one is connected to the previous processes and it consists on welcoming people in the EXPLICA-ME Center. On this last one, my partner and I will be receiving those who come in by asking them if they want something to eat or drink and after, we will leave each of them with a tutor to see where the tutoring sessions go on or lead them to the study room or just book a session, according to what the customer wants. This way, my partner and I will be able to have total control of the various processes, once we welcome people and then bring them to the right space. This type of management allows us to have control of: bookings for tutoring sessions and its agendas management; the exact number of students who attend tutoring sessions per day and the respective hours; the exact number of clients per day who use the study room; and also a daily check of all the consumable expenses.

### 5.4.7 Physical Evidences

In my opinion this is the second most important topic in the services mix for my business, because the costumers want to go to a nice place to study or receive tutoring. About tutoring, costumers look much more upon the tutors than the place. However, those who want to go and make the most of the study place want it to be comfortable and with the maximum commodities as possible. That is why I will put internet wireless in the entire center, because nowadays it is

## BUSINESS PLAN FOR AN INNOVATIVE TUTORING AND STUDY CENTER

almost impossible to do any work without internet, and it will be free for costumers. There will be a printer to make possible for students to print their work. These services will have a cost, though, which will depend on the number of printed sheets and the binding of course. Those are the two generic things that I think are most important in a tutoring and study center.

More specifically, the Center will have six classrooms, all of them different from each other. Four classrooms are for individual tutoring sessions, which will have one table and three chairs. I will put three chairs and not two because in some particular cases it can be necessary to do a tutoring session for two students, so this type of classroom must be perfect for that. The other two classrooms will be for group tutoring sessions and will have one table and six chairs. Of course that each classroom will have a board, school material (with the logo of the company, as it is possible to see in the topic merchandising) and a decoration that will be in charge by the decorator Vanda Silva, who has a decor shop called Mendinghouse. I will hire this decorator, once again, because I think that it is very important to have a nice and cozy environment and for that to be accomplished it is absolutely necessary to resort to someone specialized in the area of decoration.

At the entrance there will be a cafeteria service and the reception. The cafeteria service will have a lot of different snacks, such as toast, sandwiches, chips, croquettes, samosas and rissoles. There will be other things like appetizers, waffles, ice creams, chocolates and for drinking, coffee, milk, juices, different waters and other things that should be included in a cafeteria service.

In the study room, there will be puffs, chairs, tables with internet connection (although the entire center has wireless internet) and plugs, a big rug, and all the things to provide comfort to all the students. These kind of things will be thought and bought by the decorator Vanda Silva after I tell her the values of the company and what its concept.

In the passage from the reception/cafeteria to the study room there are two bathrooms, one for boys and other for girls. In the space with the six classrooms destined for tutoring sessions there are also two bathrooms, one for each gender.

#### 5.4.8 Productivity and Quality

In the consideration of productivity, once this is essentially tutoring service, there isn't much to improve, because it is not possible to diminish nor the time spent nor the tutoring sessions. As to the quality, 90% of it corresponds to the quality of attendance that is, the quality of tutors, and the other 10% correspond to the quality and comfort of the space. For this reason, the choice of tutor must be done carefully without letting any detail escape. I believe that with the team I have gathered together, success is guaranteed.

### 5.5 Critical Success Factors and Competitive Advantages

#### 5.5.1 Critical Success Factors

As critical success factors I highlight four: the quality of the tutors; the good environment and facilities; the existence of a study room and the cafeteria service.

#### 5.5.2 Competitive Advantages

As competitive advantages I highlight two: the existence of a study room and the cafeteria service. The cafeteria service is something very good, but the costumers can say that about innumerous cafes and supermarket. Despite that, it is a competitive advantage because it is very good for students to study in a place where it is possible to drink and eat something and the competitors don't have anything like it in their facilities. I consider that the bigger advantage is the study room, first of all because there are very few places like that in Portugal and in Alverca there aren't any, and second of all because it is a space that students always want and it is very useful.

## 6 Management Plan

In this chapter I describe how I intend to manage my business and how I expect the processes to occur.

### 6.1 Business Management

About the business schedule, the Center will open at 10 o'clock and close at midnight every day, except for Sunday that is closed. As I have explained before there will be six classrooms. There are no classrooms destined for specific tutors. However, it is normal that people have preferences and even among themselves tutors might dispose of their classrooms but its management shall be done according to what is best for the center, which means serving as much clients as possible in the best way possible. Tutors won't have to work from 10 o'clock till midnight. Those who work full time will work according to what they have booked, meaning that there might be some days they'll have to have lunch from 12h till 13h but there might also be days they have to have lunch from 13h till 14h. There might be a few days they'll be able to leave earlier and others later, but between 10h and 21h they will be around the center, whether tutoring, preparing other sessions or even helping who's in the study room. However, the study room will be supervised by me and by my partner as well as the cafeteria service. Logically, there will be days when tutors will be able to leave at 22h and enter the next day at 11h or 12h. The schedule is adjustable according to clients' needs Nonetheless it is safe to state that at 10 o'clock in the morning the center will be open and the study room and cafeteria service available for everyone. The tutoring sessions run under booking. Therefore, they can be very changeable.

As I've explained before in the topic Processes found in the Services Mix, the booking for tutoring sessions is also possible with me or my partner through a computer at the center's entrance. All tutors can and must check this computer regularly to keep their schedules updated. They can be the ones booking tutoring sessions, too, but it will always have to pass through me or my partner in order to keep everything organized. When students come to the center for the first time they will have to fill a registration form (Annex XIV), where they will leave their most relevant data.

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In what payments are concerned, tutors will be paid a percentage for each session, that is, they will not have a fixed salary but rather variable, which I consider to be the more adequate once the worker gets paid according to what they produce for the company. The more they produce the more they get paid. It is directly proportional. The amount each tutor will receive from each session will be of 40% because I consider the tutor should win a fair number for his work, and for that to happen what he earns must be inferior to the center's, once all costs are inherent to the center. As to the hired tutors exclusively for specific subjects, the rules will, in principle, still be the same. However, there might be some changes if the subjects matter contents are so specific that it gets hard to find people to teach it, which will make price inflated and subsequently the price offered to clients.

### 6.2 Business Objectives

As objectives, I have set goals for the first two months and for the four months after. The first two months is the time for people to get to know the space and comment about it. During the four following months, people will have already gotten used to the space and the communication strategy will have already been put into practice. Therefore, the center shall have better results.

#### 6.2.1 Objectives for the two first months:

As objectives for the first two months, the most important is the number of daily tutoring sessions. Having in mind I have two tutors working full-time and three working part-time plus those I might hire for more specific subjects, and considering that the center is open from 10h till midnight, it is almost obligatory that we have at least 20 clients per day, only for tutoring sessions. As it has been referred before, tutor Angelo Pereira will bring his clients to the center and, at the moment, he has around 60, which is great for the business.

Other goal to achieve in this center is the consumables' selling. Daily, I expect to charge around 70€. This charge has obviously got to do with the number of tutoring sessions because students who have them at the center are potential consumers of the cafeteria products, despite the fact that the bigger consumers are expected to be those who use the study space.

### 6.2.2 Objectives for next four months

At this point the communication strategy has already been put into practice, the center is already known by everyone, thanks not only to the communication strategy but also thanks to the center’s tutors. Therefore, the goals will be higher: the number of clients must be of around 25 and the daily charge should be 200€.

All these numbers are calculated carefully and meticulously in the next chapter - Financial Plan – where it is possible to understand why and how they were obtained.

### 6.3 Implementation of the Business and the Promotional Plan

I have decided to implement this Project in September 2013, once it is when the school year starts. During the month of August the necessary civil constructions will be done, so that it is all ready to start the next month. The great publicity focus will be during the first two months of the center’s operation (table 5), once it is important for people to get to know the place. After all this publicity, it is expected the word-of-mouth to start working.

Table 5 – Implementation of the Promotional Plan

<b>The two first months</b>	<b>The next four months</b>
Distribution of flyers in the stores in Alverca	Distribution of Flyers in the stores in Alverca
Distribution of flyers in the schools in Alverca	
Distribution of flyers in the streets in Alverca	Distribution of flyers in the streets in Alverca
Briefs presentations to the students in their classes	

## 6.4 Control of the Results

As control for all these activities, I have used the excel to create a map that makes it possible to visualize the daily, weekly and monthly numbers of tutoring sessions per tutor and in total, so that we can make sure who is working better or worse. I have also calculated a tax denominated “repeat purchase”, which permits analyzing if clients that came to the center for the first time will come back. Of course that at the beginning all clients will be new and so, it is important to know whose tutors represent the highest rates, once it is a very important indicator, and which in this case happens to be what defines the withholding of clients.

## 6.5 Expansion Strategies

If the business is running well and the tutoring classrooms start to become insufficient, there is the possibility of renting the store next door. This way we would have four spaces, and this new space would not only serve to create more tutoring classrooms but also to perform some kind of training, if that interest is to arise, or maybe even create some thematic workshops, such as workshops given by a librarian teacher about how to analyze information and do research.

All this is extremely connected to the needs that customers demonstrate. About 600 meters away from the center there is also a training center. The courses are very practical and so these students may be more predisposed to certain types of training such as trainings in marketing and sales or accounting and finance. These are two ideas that can add even more value to this center, which is already quite diverse. A third idea might involve the creation of leisure activities, such as painting, sculpture, drawing, which are normally activities for a younger audience.

All three ideas presented could be implemented in the space within the fourth store, which is situated immediately next to the space destined to the tutoring sessions.

## 6.6 Exit Strategies

I consider my business to have two exist strategies: the first one is doubtlessly the most simple and effective and consists on selling all the acquired material, finishing the store's lease contract and paying or keep paying the depth to the bank.

The second exit strategy is more complex than the first one but it is also fewer defeatists, which means making an adaptation to the business without abandoning it.

Through the indicators that were collected: cafeteria service sales' invoicing; daily number of tutoring sessions and costs inherent to these processes; it is necessary to understand what is being profitable and which is not. After this analysis, should be made a bigger bet on what has been being profitable, eliminating all other activities.

If to be profitable it is necessary to reduce costs and it is no longer needed, for example, a section devoted to study because this area is not crowded and it is only moving into a loss-making situation, then the store should be abandoned and we should move to a smaller one with less income. Next, everything bought for studying and the materials there are no longer required should be sold, in order to obtain a higher financial liquidity.

This is another approach clearly more complex and again associated with some risk, but it is a not giving up and believing in the project kind of situation. Of course all this depends on the presented results. Imagining that the center has got almost no customers for both tutoring sessions and using the study center, then the best option is undoubtedly the first: selling all materials and abandoning the project.



## 7 Financial Plan

The creation of a business as the one described in this thesis involves the development of feasibility studies, both financial and economic. In this chapter are addressed several feasibility analysis methodologies in order to implement them in the project of this thesis. The application of the different methodologies allows understanding the extent to which it is profitable to make the necessary investment in this project.

### 7.1 Metodologias

The methods which are applied in this project are: the calculation of Net Present Value (NPV), Internal Rate of Return (IRR), "Payback Period" or Recovery Period of investment, profitability index (RI).

#### 7.1.1 NPV

The Net Present Value is a methodology that compares the current value or discounted cash flows generated by the project with the investment in the same project. This methodology takes into account the time value of cash flows "CF" for a period "N", being discounted at a discount rate "TA" generally demanded by investors. The residual value is equal to the difference between the acquisition value of the good or service, in the origin of the investment, and the accumulated depreciation of it.

Decisions that can be taken with this tool are:

NPV > 0: Accept the project. This means that the project will recover the investment and generate a surplus of cash flows;

NPV = 0: Accept the project. It allows only the recovering of the investment made. However, it has to be well analyzed as just a tiny change in the projected cash flows or in the discount rate can cease to be viable;

NPV < 0: Reject the project. With this scenario the project is not economically viable since it can't remunerate the invested capital.

## BUSINESS PLAN FOR AN INNOVATIVE TUTORING AND STUDY CENTER

This tool has some limitations, including the inefficiency in analyzing projects with different life and the impossibility of analyzing projects with situations of capital rationing.

### 7.1.2 IRR

The Internal Rate of Return represents the discount rate that makes the NPV zero or null, which means, it is the maximum rate of discount required by the investor to remunerate the invested capital.

The decision that can be taken when calculating the IRR depends when:

- $IRR \geq DR$ , accept the project as it is economically feasible;
- $IRR < DR$ , reject the project since it is not economically viable.

The IRR has some limitations such as the fact that it does not distinguish financial applications situations of financial situations; it assumes that the cash flows generated by the project are reinvested at the IRR itself (assumes that the rate never changes). Additionally, in projects mutually exclusive, that is, when in two or more projects only one can carry, the IRR is not a good methodology to be applied, and so the calculus of the NPV should be used to analyze which of the projects is the best.

### 7.1.3 Payback Period

The "Payback Period" (PP) corresponds to a measure which indicates the number of years required to recover the initial investment in setting up the project. In a simpler way, the PP is the number of years needed to equal the NPV of a project to 0.

The decision that must be made with the Payback Period also depends on the number of years of useful life of the project (n):

- $PP < n$ : accept the project;
- $PP = n$ : accept the project;
- $PP > n$ : reject the project.

The major limitation of this method results from ignoring the cash flows generated after the recovery of the initial investment. Instead of an indicator of profitability, the PP is an indicator of

risk it must always be used in conjunction with other methods of project evaluation such as the NPV or the IRR. The later the investor recovers the investment made, the greater the risk. So, the lower the Payback Period, the better for the investor is, because he gets to see his payoff sooner. The PP should not be used to choose between mutually exclusive projects, such as the IRR.

#### 7.1.4 Profitability Index

The PI is a method which derives directly from NPV, allowing the evaluation of the profitability generated per unit of capital invested.

Decisions to be taken with Profitability index are as follows:

- $PI > 1 \rightarrow NPV > 0$ : accept the project;
- $PI = 1 \rightarrow NPV = 0$ : accept the project;
- $PI < 1 \rightarrow NPV < 0$ : reject the project.

The major limitation of the PI is the impossibility of applying for selecting mutually exclusive projects.

## 7.2 Variables

In order to calculate these indicators, it is necessary to proceed with calculations of diverse variables that appear in the next topics.

### 7.2.1 Sales Forecast

#### 7.2.1.1 Evolution of the Number of Tutoring Sessions

For the evolution of the number of tutoring sessions it was considered 20 students per day for the first 2 months and 25 students per day for the next 4 months as it was presented before in the thesis. For the remaining years until the fourth year it was considered 30 students per day, thenceforth the next years (four to seven) estimated 35 students per day. In the month eight (August) the center will be closed for holidays so there aren't students. All this information's are in table 6.

Table 6 – Evolution of the Number of Tutoring Sessions

Number of Students	Year 0	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7
<b>Tutoring Sessions per day</b>		30	30	30	35	35	35	35
Month 1		650	780	780	910	910	910	910
Month 2		650	780	780	910	910	910	910
Month 3		780	780	780	910	910	910	910
Month 4		780	780	780	910	910	910	910
Month 5		780	780	780	910	910	910	910
Month 6		780	780	780	910	910	910	910
Month 7		780	780	780	910	910	910	910
Month 8		0	0	0	0	0	0	0
Month 9	260	780	780	780	910	910	910	910
Month 10	520	780	780	780	910	910	910	910
Month 11	650	780	780	780	910	910	910	910
Month 12	650	780	780	780	910	910	910	910
<b>Total</b>	2080	8320	8580	8580	10010	10010	10010	10010

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**7.2.1.2 Sales Amount**

About the Sales Amount, it was calculated for each type of tutoring session with different weightings according to its importance to the business, as is possible to see in table 7.

Table 7 – Sales Amount

<b>Sales per Tutoring Session</b>	<b>Weighting</b>	<b>Year 0</b>	<b>Year 1</b>	<b>Year 2</b>	<b>Year 3</b>	<b>Year 4</b>	<b>Year 5</b>	<b>Year 6</b>	<b>Year 7</b>
<b>Tutoring sessions for university</b>	30%	624	2.496	2.574	2.574	3.003	3.003	3.003	3.003
Tutoring sessions for university individual	50%	312	1248	1287	1287	1501,5	1501,5	1501,5	1501,5
Tutoring sessions for university group	50%	312	1248	1287	1287	1501,5	1501,5	1501,5	1501,5
<b>Tutoring sessions for high school</b>	40%	832	3.328	3.432	3.432	4.004	4.004	4.004	4.004
Tutoring sessions for high school individual	50%	416	1664	1716	1716	2002	2002	2002	2002
Tutoring sessions for high school group	50%	416	1664	1716	1716	2002	2002	2002	2002
<b>Tutoring sessions for primary school</b>	20%	416	1.664	1.716	1.716	2.002	2.002	2.002	2.002
Tutoring sessions for primary individual	50%	208	832	858	858	1001	1001	1001	1001
Tutoring sessions for primary group	50%	208	832	858	858	1001	1001	1001	1001
<b>Tutoring sessions for elementary school</b>	10%	208	832	858	858	1.001	1.001	1.001	1.001
Tutoring sessions for elementary individual	50%	104	416	429	429	500,5	500,5	500,5	500,5
Tutoring sessions for elementary group	50%	104	416	429	429	500,5	500,5	500,5	500,5
<b>Total</b>	100%	2.080	8.320	8.580	8.580	10.010	10.010	10.010	10.010

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### 7.2.1.3 Sales in Value

For the sales in value was been created a big table with the forecast for the sales in value for each year, as the table is very big it was cutted in for table as it is possible to see in the annex XV.

### 7.2.1.4 Price Growth

As it was done in the topic before, this table for has a big size it was cutted, this time in two tables and putted in the annex XVI.

In those tables it is possible to see the price growth based in the inflation considered – 2,7%, this taxes was provided by the statistics Portugal.

## 7.2.2 Investment Forecast

In the item Furniture (table 6) all the prices of the products was given by the decorated Vanda Silva. It isn't the cheapest products, because these products are good and resistant, which is a very important factor in this type of business.

About the technological items (table 6): the cash till will be a Olivetti ECR 7700, because it is not too expensive and for a cafeteria service it's enough, the place where I will buy it is in Staples; the calculators will be the scientific calculator HP 10S and the place where I will buy it is in Staples too; about the printer it has to be a very good printer because the students have to be able to print their works there, so it will be a Phaser 7500 by Xerox; the computer will be a Sony Vaio tap 20 SV-J2021E9E bought in Fnac, at last the television will be a Samsung TV LED UE32F4000 bought in Fnac too.

The cost's estimation for the cafe assets (table 8) was given by a friend with a very small cafe with similar assets like I intend to have in my center.

The Fire Extinguisher (table 8) will be acquired in the volunteered fireman of Seixal because it's cheaper there.

The cost of the cafe are discriminated in the annex XXVII.

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Table 8 – Investment Forecast

INVESTMENT YEAR 0	Unitary Cost (no VAT)	Unitary Cost (with VAT)	Quantity	Total Cost (no VAT)	Total Cost (with VAT)
<b>Administrative Equipment</b>					
<b>Furniture</b>					
Desk	110,00 €	135,30 €	8	880,00 €	1.082,40 €
Desk Chair	50,00 €	61,50 €	36	1.800,00 €	2.214,00 €
Counter Chair	60,00 €	73,80 €	1	60,00 €	73,80 €
Tables of Study Room	109,76 €	135,00 €	6	658,56 €	810,03 €
Puffs of Study Room	80,00 €	98,40 €	12	960,00 €	1.180,80 €
Recycle Bin	8,00 €	9,84 €	8	64,00 €	78,72 €
Umbrella Stand	20,00 €	24,60 €	2	40,00 €	49,20 €
Cafe Tables	70,00 €	86,10 €	6	420,00 €	516,60 €
Reception Counter	500,00 €	615,00 €	1	500,00 €	615,00 €
Cafe Chairs	20,00 €	24,60 €	24	480,00 €	590,40 €
Storage Cabinet	200,00 €	246,00 €	1	200,00 €	246,00 €
Cabinets	50,00 €	61,50 €	2	100,00 €	123,00 €
<b>TOTAL Furniture</b>				<b>6.162,56 €</b>	<b>7.579,95 €</b>
<b>Technological</b>					
Cash Till	200,00 €	246,00 €	1	200,00 €	246,00 €
Calculator	8,93 €	10,98 €	2	17,86 €	21,97 €
Printer	1.422,76 €	1.750,00 €	1	1.422,76 €	1.750,00 €
Computer	812,20 €	999,00 €	1	812,20 €	999,00 €
Television	300,00 €	369,00 €	1	300,00 €	369,00 €
<b>TOTAL Technological</b>				<b>2.752,82 €</b>	<b>3.385,97 €</b>
<b>TOTAL Administrative Equipment</b>				<b>8.915,38 €</b>	<b>10.965,92 €</b>
<b>Other Tangible Fixed Assets</b>					
Cafe	5.000,00 €	5.300,00 €	1	5.000,00 €	5.300,00 €
Fire Extinguisher	16,98 €	18,00 €	2	33,96 €	36,00 €
<b>TOTAL Other tangible fixed assets</b>				<b>5.033,96 €</b>	<b>5.336,00 €</b>
<b>TOTAL INVESTMENT (YEAR 0)</b>				<b>13.949,34 €</b>	<b>16.301,91 €</b>
INVESTMENT YEAR 5	Unitary Cost (no VAT)	Unitary Cost (with VAT)	Quantity	Total Cost (no VAT)	Total Cost (with VAT)
<b>Tangible Fixed Assets</b>					
Fire Extinguisher	19,21 €	20,36 €	1	19,21 €	20,36 €
<b>Total</b>				<b>19,21 €</b>	<b>20,36 €</b>

### 7.2.3 Forecast of Expenditures

The create the map of expenses by nature it was necessary to create another maps first.

The first item in the table, subcontracts, is related to the earns of the tutors, their percertages of the tutoring sessions.

The second item in the table, specialized services, includes different services: the decorater Vanda Silva, which will received a big value once she will be responsible not only by the decoration but also the sound insulation; the advertising which includes the flyers, the t-shirts and the inauguration party as it is possible to see in the annex XVII; the creation of the web site, which will provide by the company web Colinas; the maintenance of the extinguishers as it is possible to see XVIII and also include the costs related to the company's creation.

The third item in the table, materials, include all the materials that are need to the good operation of the center, as it is possible to see in the annex XIX and XX.

The fourth item, energy and fluids, include the costs related to the consumption of water and electricity, as it is possible to see in the annex XXI.

The five item, diverse services, includes different services: the store rent, as it possible to see in the annex XXIII; the estimated costs in telecommunications, as it is possible to see in the annex XXIV; the estimating costs of cleaning and hygiene, as it is possible to see in the annex XXII, the costs of the café, as it possible to see in the annex XXVII and the insurance, which will be contracted the company Zurich.



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Table 9 – Forecast of Expenditure

Map of expenses by nature	Year 0	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7
<b>Cost of Goods Sold and Materials Consumed</b>		-	-	-	-	-	-	-
<b>Supplies and Services</b>								
Subcontracts	11.803,58 €	48.394,67 €	51.154,68 €	52.433,54 €	62.701,78 €	64.269,32 €	65.876,05 €	67.522,96 €
Specialized Services	32.052,10 €	76,82 €	77,22 €	77,62 €	78,04 €	78,47 €	78,90 €	79,35 €
Materials	1.429,67 €	342,65 €	351,21 €	359,99 €	368,99 €	378,22 €	387,67 €	397,37 €
Energy e Fluids	650,00 €	4.305,00 €	4.412,63 €	4.522,94 €	4.636,01 €	4.751,91 €	4.870,71 €	4.992,48 €
Diverse Services	10.040,16 €	25.280,63 €	25.533,27 €	25.792,22 €	26.057,65 €	26.329,71 €	26.608,57 €	26.894,40 €
<b>TOTAL</b>	<b>55.975,50 €</b>	<b>78.399,77 €</b>	<b>81.529,00 €</b>	<b>83.186,32 €</b>	<b>93.842,47 €</b>	<b>95.807,63 €</b>	<b>97.821,92 €</b>	<b>99.886,56 €</b>
<b>Personnel costs</b>								
Compensation of Corporate Bodies	10.000,00€	28.000,00€	28.756,00€	29.532,41€	30.329,79€	31.148,69€	31.989,71€	32.853,43€
Charges on remuneration	2.375,00€	6.650,00€	6.829,55€	7.013,95€	7.203,32€	7.397,81€	7.597,56€	7.802,69€
<b>TOTAL</b>	<b>12.375,00€</b>	<b>34.650,00€</b>	<b>35.585,55€</b>	<b>36.546,36€</b>	<b>37.533,11€</b>	<b>38.546,51€</b>	<b>39.587,26€</b>	<b>40.656,12€</b>
<b>Expenses on Depreciation and Amortization</b>								
Tangible Fixed Assets	2429,05 €	2375,46 €	2375,46 €	2042,79 €	2033,79 €	1609,99 €	1609,99 €	1609,99 €
<b>TOTAL</b>	<b>2.429,05 €</b>	<b>2.375,46 €</b>	<b>2.375,46 €</b>	<b>2.042,79 €</b>	<b>2.033,79 €</b>	<b>1.609,99 €</b>	<b>1.609,99 €</b>	<b>1.609,99 €</b>
<b>Other expenses and losses</b>								
Taxes	1.558,08 €	27.973,79 €	29.530,68 €	30.233,96 €	36.104,04 €	36.969,01 €	37.885,84 €	38.828,08 €
<b>TOTAL</b>	<b>1.558,08 €</b>	<b>27.973,79 €</b>	<b>29.530,68 €</b>	<b>30.233,96 €</b>	<b>36.104,04 €</b>	<b>36.969,01 €</b>	<b>37.885,84 €</b>	<b>38.828,08 €</b>
<b>Financing expenses and losses</b>								
interest expense	1.030,09 €	3.671,53 €	2.918,59 €	2.116,78 €	1.262,92 €	353,64 €	0,00 €	0,00 €
Other Financing expenses and losses	1,35 €	5,40 €	5,40 €	5,40 €	5,40 €	4,05 €	0,00 €	0,00 €
<b>TOTAL</b>	<b>1.031,44 €</b>	<b>3.676,93 €</b>	<b>2.923,99 €</b>	<b>2.122,18 €</b>	<b>1.268,32 €</b>	<b>357,69 €</b>	<b>0,00 €</b>	<b>0,00 €</b>
<b>FINAL TOTAL</b>	<b>73.369,07 €</b>	<b>147.075,95 €</b>	<b>151.944,69 €</b>	<b>154.131,61 €</b>	<b>170.781,74 €</b>	<b>173.290,82 €</b>	<b>176.905,01 €</b>	<b>180.980,75 €</b>

### 7.2.4 Forecast of other Income

The forecast of the cafe income (table 6) was calculated using the café revenues of my friend as a reference point.

Assumption for the growth of the cafe: 3%

Table 10 – Forecast of other Income

	Year 0	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7
Cafe yields (day)	70	72	74	75	77	79	81	83
Number of Days	104	312	312	312	312	312	312	312
TOTAL (no VAT)	5.918,70 €	18.200,00 €	18.655,00 €	19.121,38 €	19.599,41 €	20.089,39 €	20.591,63 €	21.106,42 €
TOTAL (with VAT Paid)	7.280,00 €	22.386,00 €	22.945,65 €	23.519,29 €	24.107,27 €	24.709,96 €	25.327,70 €	25.960,90 €

### 7.2.5 Income Statement

As it is possible to see in table 11, just in the first three years of the business the result is negative, which is good because the investment done was a considerable one. Another positive aspect is the fact that from the third year on the growth becomes very high.

To calculate the personal cost was elaborated two different maps, the partner administration map and the number of collaborators map, which are in the annex XV and XVI respectively.

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Table 11 – Income Statement

Income and Expense	Year 0	Year 1	Year 2	Year 3	Year 4	Ano 5	Year 6	Year 7
Providing external services	29.508,94 €	120.986,67 €	127.886,69 €	131.083,85 €	156.754,44 €	160.673,30 €	164.690,14 €	168.807,39 €
Supplies and services	55.975,50 €	78.399,77 €	81.529,00 €	83.186,32 €	93.842,47 €	95.807,63 €	97.821,92 €	99.886,56 €
Personnel costs	12.375,00 €	34.650,00 €	35.585,55 €	36.546,36 €	37.533,11 €	38.546,51 €	39.587,26 €	40.656,12 €
Other income and gains	5.918,70 €	18.200,00 €	18.655,00 €	19.121,38 €	19.599,41 €	20.089,39 €	20.591,63 €	21.106,42 €
Other expenses and losses	1.558,08 €	27.973,79 €	29.530,68 €	30.233,96 €	36.104,04 €	36.969,01 €	37.885,84 €	38.828,08 €
Profit before depreciation, financing costs and taxes	-34.480,94 €	-1.836,90 €	-103,55 €	238,59 €	8.874,23 €	9.439,56 €	9.986,75 €	10.543,05 €
Expenses / reversals of depreciation and amortization <sup>2</sup>	2.429,05 €	2.375,46 €	2.375,46 €	2.042,79 €	2.033,79 €	1.609,99 €	1.609,99 €	1.609,99 €
Operating income (before financing expenses and taxes)	-36.909,99 €	-4.212,36 €	-2.479,01 €	-1.804,20 €	6.840,44 €	7.829,56 €	8.376,75 €	8.933,06 €
Interest and similar expenses	1.031,44 €	3.676,93 €	2.923,99 €	2.122,18 €	1.268,32 €	357,69 €	0,00 €	0,00 €
Profit before tax	-37.941,43 €	-7.889,29 €	-5.403,00 €	-3.926,38 €	5.572,11 €	7.471,88 €	8.376,75 €	8.933,06 €
Taxes	0,00 €	0,00 €	0,00 €	0,00 €	0,00 €	0,00 €	0,00 €	0,00 €
Profit for the period	-37.941,43 €	-7.889,29 €	-5.403,00 €	-3.926,38 €	5.572,11 €	7.471,88 €	8.376,75 €	8.933,06 €
Losses carried	-	-37.941,43 €	-45.830,72 €	-51.233,72 €	-55.160,10 €	-49.587,99 €	-42.116,11 €	-33.739,35 €

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<sup>2</sup> The depreciation rates used were put into force in the present year 2013.

## BUSINESS PLAN FOR AN INNOVATIVE TUTORING AND STUDY CENTER

### 7.2.6 Operational Cash Flow

After calculating all the expected expenses as well as all the expected incomes, it was possible to generate the income statement. Using the calculated values, it was possible to conduct operational cash flow estimation (table 12).

Table 12 – Operational Cash Flow

<b>YEARS</b>	Ano 0	Ano 1	Ano 2	Ano 3	Ano 4	Ano 5	Ano 6	Ano 7
Sales	29.508,94 €	120.986,67 €	127.886,69 €	131.083,85 €	156.754,44 €	160.673,30 €	164.690,14 €	168.807,39 €
Providing external services	55.975,50 €	78.399,77 €	81.529,00 €	83.186,32 €	93.842,47 €	95.807,63 €	97.821,92 €	99.886,56 €
Personnel costs	12.375,00 €	34.650,00 €	35.585,55 €	36.546,36 €	37.533,11 €	38.546,51 €	39.587,26 €	40.656,12 €
Other income and gains	5.918,70 €	18.200,00 €	18.655,00 €	19.121,38 €	19.599,41 €	20.089,39 €	20.591,63 €	21.106,42 €
EBITDA	-34.480,94 €	-1.836,90 €	-103,55 €	238,59 €	8.874,23 €	9.439,56 €	9.986,75 €	10.543,05 €
Depreciation and Amortization	2.429,05 €	2.375,46 €	2.375,46 €	2.042,79 €	2.033,79 €	1.609,99 €	1.609,99 €	1.609,99 €
EBIT	-36.909,99 €	-4.212,36 €	-2.479,01 €	-1.804,20 €	6.840,44 €	7.829,56 €	8.376,75 €	8.933,06 €
Income tax	0,00 €	0,00 €	0,00 €	0,00 €	0,00 €	0,00 €	0,00 €	0,00 €
EBIT(1-t)	-36.909,99 €	-4.212,36 €	-2.479,01 €	-1.804,20 €	6.840,44 €	7.829,56 €	8.376,75 €	8.933,06 €
<b>Operational Cash Flow</b>	<b>-34.480,94 €</b>	<b>-1.836,90 €</b>	<b>-103,55 €</b>	<b>238,59 €</b>	<b>8.874,23 €</b>	<b>9.439,56 €</b>	<b>9.986,75 €</b>	<b>10.543,05 €</b>
Losses carried		-36.909,99 €	-41.122,35 €	-43.601,36 €	-45.405,56 €	-38.565,12 €	-30.735,56 €	-22.358,80 €

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### 7.2.7 Map of Working Capital

In order to elaborate a map of working capital, it was necessary to create the VAT map, the Security and Social map and the IRS map, which is possible to find in the annex XXVIII, XIX and XX.

Table 13 – Map of Working Capital

<b>YEARS</b>	<b>Year 0</b>	<b>Year 1</b>	<b>Year 2</b>	<b>Year 3</b>	<b>Year 4</b>	<b>Year 5</b>	<b>Year 6</b>	<b>Year 7</b>
<u>Cyclical needs</u>								
Cash	18.165,85 €							
<b>TOTAL</b>	18.165,85 €	0,00 €	0,00 €	0,00 €	0,00 €	0,00 €	0,00 €	0,00 €
<u>Cyclic resources</u>								
- Water	25,97 €	79,85 €	81,84 €	83,89 €	85,99 €	88,14 €	90,34 €	92,60 €
- Electricity	20,61 €	253,52 €	259,85 €	266,35 €	273,01 €	279,83 €	286,83 €	294,00 €
Social Security		0,00 €	0,00 €	0,00 €	0,00 €	0,00 €	0,00 €	0,00 €
VAT	1.137,17 €	5.897,84 €	6.223,63 €	6.379,29 €	7.568,94 €	7.758,23 €	7.952,26 €	8.736,04 €
IRS		138,89 €	388,89 €	399,39 €	410,17 €	421,25 €	432,62 €	444,30 €
<b>TOTAL</b>	1.183,75 €	6.370,10 €	6.954,21 €	7.128,92 €	8.338,11 €	8.547,45 €	8.762,05 €	9.566,94 €
<b>WC</b>	<b>16.982,10 €</b>	<b>-6.370,10 €</b>	<b>-6.954,21 €</b>	<b>-7.128,92 €</b>	<b>-8.338,11 €</b>	<b>-8.547,45 €</b>	<b>-8.762,05 €</b>	<b>-9.566,94 €</b>
Variation of WC	16.982,10 €	-23.352,20 €	-584,12 €	-174,70 €	-1.209,19 €	-209,34 €	-214,60 €	-804,88 €

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### 7.2.8 Cash Flow

To Calculate the cash flow (table 14) was necessary used the inputs generated in the table 12 (operational cash flow) and in the table 13 (Map of Working Capital).

Table 14 – Map of Cash Flow

YEARS	Year 0	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7
Financial resources								
Operational Cash Flow	-34.480,94 €	-1.836,90 €	-103,55 €	238,59 €	8.874,23 €	9.439,56 €	9.986,75 €	10.543,05 €
Value of Continuity								91.668,16 €
<b>TOTAL</b>	-34.480,94 €	-1.836,90 €	-103,55 €	238,59 €	8.874,23 €	9.439,56 €	9.986,75 €	102.211,21 €
Financial Needs								
Investment Fixed Cost	13.949,34 €					19,21 €		
Investment on WC	16.982,10 €	-23.352,20 €	-584,12 €	-174,70 €	-1.209,19 €	-209,34 €	-214,60 €	-804,88 €
<b>TOTAL</b>	30.931,44 €	-23.352,20 €	-584,12 €	-174,70 €	-1.209,19 €	-190,13 €	-214,60 €	-804,88 €
<b>Cash Flow</b>	-65.412,38 €	21.515,30 €	480,57 €	413,29 €	10.083,42 €	9.629,69 €	10.201,35 €	103.016,10 €
<b>Cash Flow Acumulated</b>	-65.412,38 €	-43.897,08 €	-43.416,51 €	-43.003,21 €	-32.919,79 €	-23.290,10 €	-13.088,75 €	89.927,35 €
<b>Cash Flow Actualized</b>	-65.412,38 €	19.124,71 €	379,71 €	290,27 €	6.295,03 €	5.343,79 €	5.032,02 €	45.168,68 €
<b>Cash Actualized Acumulated</b>	-65.412,38 €	-46.287,67 €	-45.907,96 €	-45.617,69 €	-39.322,66 €	-33.978,86 €	-28.946,84 €	16.221,84 €

7.2.9 The indicators NPV, IRR, Payback Period

<b>Net Present Value</b>	16.221,84 €
<b>Internal Rate of Profit</b>	17,60%
<b>Profitability Index</b>	1,25
<b>Pay Back (accounting)</b>	6,13
<b>Pay Back Actualized</b>	6,64

Discount Rate: 12,7%  
 Growth Rate: 3%

From the above outputs it is possible to draw some conclusions. As the net present value is above zero, the project should be accepted. This means that the project will recover the investment and generate a surplus of cash flows.

The Internal Rate of Return represents the discount rate that makes the NPV zero or null, which means, it is the maximum rate of discount required by the investor to remunerate the invested capital. Thus, in this case the  $IRR \geq DR$ , which means that the project should be accept, as it is economically feasible.

The PI is a method which derives directly from NPV, allowing the evaluation of the profitability generated per unit of capital invested. By analyzing the profitability index (1,25), it can be conclude that one unit of capital is 1,25 profitable.

The PP is the number of years needed to equal the NPV of a project to 0, and in this case, the PP is more than six and less than seven, which means that the project should be accepted. Once it is less than the seven years that were considered as the number of years of useful life of the project.

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### 7.2.10 Sensitivity Analysis

Sensitivity analysis aims to assess the extent to which the profitability of the project will change as a result of the modification of the presuppositions of the project.

Whereas the profitability of the project is subject to the variation of certain exogenous variables and not controllable by prosecutors, it was decided to perform a multivariate analysis.

Which refers to the sensitivity to prices and to demand, it can be concluded that either price or demand varies -10% the NPV becomes negative. This results in the rejection of the project (table 15 and table 16).

Table 15 – Sensitivity to Prices

Prices	NPV	IRR	Payback
	16.221,84 €	17,60%	6,64
0,6	-201.108,87 €	-	7,52
0,7	-146.776,20 €	-	8,03
0,8	-92.443,52 €	-	10,35
0,9	-38.110,84 €	-	9,73
1	16.221,84 €	17,60%	6,64
1,1	70.554,52 €	31,24%	6,08
1,2	124.887,20 €	42,31%	6,16
1,3	179.219,88 €	52,23%	6,29
1,4	233.552,56 €	61,55%	6,37

Table 16 – Sensitivity to Demand

Demand	NPV	IRR	Payback
	16.221,84 €	17,60%	6,64
0,6	-192.838,75 €	-	7,42
0,7	-140.573,60 €	-	7,90
0,8	-88.308,45 €	-	10,11
0,9	-36.043,31 €	-	9,58
1	16.221,84 €	17,60%	6,64
1,1	68.486,99 €	30,41%	6,10
1,2	120.752,14 €	40,47%	6,12
1,3	173.017,29 €	49,19%	6,25
1,4	225.282,44 €	57,13%	6,32



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This project is also sensitive to changes in the personal costs. If personal costs increases 25%, the NPV will be below zero. The project will be rejected (table 17).

Finally, as the IRR is 17,6 the discounted rate changing until this value will not influenciate the acceptance of the project. If the discount rate was below 12,7 the NPV will naturally increase (table 18).

Table 17 – Sensitivity to Personnel Costs

Personnel Costs	NPV	IRR	Payback
	16.221,84 €	17,60%	6,64
0	377.648,51 €	87,35%	6,53
0,25	287.291,84 €	72,01%	6,46
0,5	196.935,18 €	56,24%	6,35
0,75	106.578,51 €	39,11%	6,11
1	16.221,84 €	17,60%	6,64
1,25	-74.134,82 €	-	18,86
1,5	-164.491,49 €	-	7,94
1,75	-254.848,16 €	-	7,40
2	-345.204,82 €	-	7,20

Table 18 – Sensitivity to Discount Rate

Discount Rate	NPV	IRR	Payback
	16.221,84 €	17,60%	6,64
22,5%	-11.430,45 €	17,60%	7,46
20,5%	-7.159,90 €	17,60%	7,26
18,5%	-2.350,14 €	17,60%	7,07
16,5%	3.081,89 €	17,60%	6,91
12,7%	16.221,84 €	17,60%	6,64
8,5%	33.278,68 €	17,60%	6,43
6,5%	43.705,06 €	17,60%	6,34
4,5%	55.694,32 €	17,60%	6,26
2,5%	69.526,14 €	17,60%	6,20

### 7.2.12 Economic and Financial Indicators

The financial analysis of a company should include the analysis of their situation in various aspects and areas. To perform this type of evaluation are used several methods. One of the most used is the method of ratios, which is reflected in the calculation of various ratios or indicators, based on values of the main items accounting statements. This method should not be used alone because it has some limitations derived from purely quantitative perspective used and must therefore be complemented with more qualitative assessment in terms of management.

The return on sales gives the margin that sales are producing and how this rate evolves over the life of the project. The higher the value of this ratio, the greater the contribution of each unit sold for the formation of the results. This indicator became positive from the fourth year.

The critical point of sales, defined in value or quantity, defined as the point from which the company will have positive operating results. Thus, the lower critical point of sales company to more easily achieves thus the less financial risk. The critical point of sales quantities determines the minimum quantity to be sold so that no negative results.

Associated with the critical point, it presents the concept of a safety margin which represents the percentage of the activity carried beyond the critical point. The safety margin thus determines the value which shows that there is security for the company to operate above a zero return operation. It follows, therefore, that the lower the safety margin, the greater the economic risk, because if it is close to the critical point. For this project, it is estimated that from the first year the margin of safety is greater than zero and increasing.

The coverage of the financial burden is a ratio that measures the degree to the results before interest and amortization, financial charges cover. The degree of financial leverage is a tool for analyzing the financial risk that measures the sensitivity of return on equity to potential fluctuations in operating results, assuming the financial costs as fixed and the tax rate on income constant. Thus, the higher is the degree of financial lever is greater financial risk. The higher the ratio, the greater the leverage, that is, the higher the proportion

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of third party capital in relation to equity, the higher the degree of financial leverage. As can be seen in the table 19, the degree of financial leverage has its lowest in the second year and the highest in fourth year.

Table 19 – Economic and Financial Ratios

Key Economic and Financial Ratios								
	Year 0	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7
Return on Sales	-107,10%	-5,67%	-3,69%	-2,61%	3,16%	4,13%	4,52%	4,70%
Fixed Costs	56.546,92 €	64.655,10 €	65.959,88 €	67.299,14 €	68.673,81 €	70.084,81 €	71.533,12 €	73.019,72 €
Variable Costs	11.803,58 €	48.394,67 €	51.154,68 €	52.433,54 €	62.701,78 €	64.269,32 €	65.876,05 €	67.522,96 €
Critical Point of Sales	94.244,87 €	107.758,50 €	109.933,13 €	112.165,23 €	114.456,34 €	116.808,02 €	119.221,87 €	121.699,53 €
Margin of Safety	-68,69%	12,28%	16,33%	16,87%	36,96%	37,55%	38,14%	38,71%
Coverage of Investment	-35,79	-1,15	-0,85	-0,85	5,39	21,89	-	-
Degree of Financial Leverage	0,91	0,23	0,02	0,06	1,59	1,26	1,19	1,18

Which related to performance ratios it can be seen from table 20 that the performance of the company is increasing. The first ratio assumes the same value in every year because the tutors received 40% of sales.

Table 20 – Performance Ratios

Performance Ratios								
	Year 0	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7
Costo f Sales/ Revenues (%)	40%	40%	40%	40%	40%	40%	40%	40%
Gross Margin / Revenues (%)	-97,33%	-1,32%	-0,07%	0,16%	5,03%	5,22%	5,39%	5,55%
EBT / Revenues (%)	-107,10%	-5,67%	-3,69%	-2,61%	3,16%	4,13%	4,52%	4,70%

## 8 Conclusion

As it's known, we are living a mundial crisis and, at a national level, the situation is the same or worst. However, in times like this there are always opportunities and space for those who is innovate and has an entrepreneur spirit. In the situation we're in nowadays, I believe that people overcome themselves and come up with new ideias to face the crisis they are living.

But, not only because we are living difficult times, when wanting to create a new business a business plan should be made for various reasons: to anticipate different problems; to characterize the objectives; and to understand the viability of the business decreasing the risk of the investment. There are also other reasons to do a business plan, as it was possible to see in this thesis. However, these reasons are the most important.

As guidance to the business plan, I have gotten inspiration from Wheelen and Hunger, which approach strategic management in a more practical and realistic point of view. It made possible for all the relevant topics in this project not to be forgotten or innapropriate.

Inside the business plan of a company, like the one presented in this thesis, the marketing plan gains an extra force because it is a new concept, a new service, and so everything has to be created and has to make sense in the consumers' heads.

This business is an innovative service because it combines three different services in the same place: tutoring sessions, a study place and a cafeteria service. thus, it was created a business plan for this service, which is a marketing plan, too, to make this business as salable as possible.

Despite all the research part and the services mix creations, there is a fundamental part that should to be taken in consideration, because it is the most important in any business - the financial part -, once that, if the project doesn't have financial viability, it doesn't make sense to invest on it, and, as it is possible to see in the financial analysis, this project is viable.

To conclude this thesis, I would like to say that this project is a dream for me and that in order to gain courage to create a business in Portugal, we, entrepreneurs, should hold on to citations like the one someone answered to the question "Which reasons would make you want to attend this Center?" in my questionnaire: "Because there should exist a center like the one presented."

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# Annexes

## 10 Annexes

### Annex I - Resident Population in 2001 and 2011

Zona Geográfica	População residente												População residente -Variação entre 2001 e 2011 (%)				
	Em 2001						Em 2011						Var. Total	Grupos etários			
	Total		Grupos etários				Total		Grupos etários					0-14	15-24	25-64	65 ou mais
	HM	H	0-14	15-24	25-64	65 ou mais	HM	H	0-14	15-24	25-64	65 ou mais					
1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18
Lisboa	2661850	1275659	396221	366806	1488777	410046	2821876	1334605	437881	295043	1575110	513842	6,01	10,51	-19,56	5,80	25,31
Grande Lisboa	1947261	927401	286576	266324	1086743	307618	2042477	961132	314091	214820	1139909	373657	4,89	9,60	-19,34	4,89	21,47
Vila Franca de Xira	122908	60172	20298	18316	70708	13586	136886	65808	23514	14190	80689	18493	11,37	15,84	-22,53	14,12	36,12
Alhandra	7205	3442	970	893	3933	1409	6047	2802	784	576	3129	1558	-16,07	-19,18	-35,50	-20,44	10,57
<b>Alverca do Ribatejo</b>	<b>29086</b>	<b>14275</b>	<b>4526</b>	<b>4192</b>	<b>17143</b>	<b>3225</b>	<b>31070</b>	<b>14918</b>	<b>4854</b>	<b>3066</b>	<b>18449</b>	<b>4701</b>	<b>6,82</b>	<b>7,25</b>	<b>-26,86</b>	<b>7,62</b>	<b>45,77</b>
Cachoeiras	769	379	96	94	413	166	766	383	102	61	436	167	-0,39	6,25	-35,11	5,57	0,60
Calhandriz	847	416	106	118	449	174	801	374	102	82	442	175	-5,43	-3,77	-30,51	-1,56	0,57
Castanheira do Ribatejo	7258	3561	1188	1068	4137	865	7500	3623	1294	803	4327	1076	3,33	8,92	-24,81	4,59	24,39
Póvoa de Santa Iria	24277	11979	4891	3458	14480	1448	29348	14249	5657	3249	18161	2281	20,89	15,66	-6,04	25,42	57,53
São João dos Montes	4409	2187	662	623	2441	683	6018	2962	1080	565	3449	924	36,49	63,14	-9,31	41,29	35,29
Vialonga	15471	7680	2740	2781	8585	1365	21033	10192	4243	2160	12529	2101	35,95	54,85	-22,33	45,94	53,92
Vila Franca de Xira	18442	8753	2644	2503	10169	3126	18197	8579	2716	1841	9941	3699	-1,33	2,72	-26,45	-2,24	18,33
Sobralinho	4165	2075	732	528	2437	468	5050	2457	945	521	2929	655	21,25	29,10	-1,33	20,19	39,96
Forte da Casa	10979	5425	1743	2058	6521	657	11056	5269	1737	1266	6897	1156	0,70	-0,34	-38,48	5,77	75,95

(Source: INE - National Statistical Institute)



## Annex II - **Gross domestic product at market prices (current prices; annual)**

Un.: 10<sup>6</sup> euros

<i>Ano</i>	Produto interno bruto
<i>Year</i>	<i>Gross domestic product</i>
1995	87.840,9
1996	93.216,5
1997	101.145,9
1998	110.376,5
1999	118.661,4
2000	127.316,9
2001	134.471,1
2002	140.566,8
2003	143.471,7
2004	149.312,5
2005	154.268,7
2006	160.855,4
2007	169.319,2
2008	171.983,1
2009	168.529,2
2010	172.859,5
2011P	171.064,8
2012P	165.409,2

(Source: INE - National Statistical Institute)

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Annex III - Private Consumption of Resident Households by durability (current prices; annual)

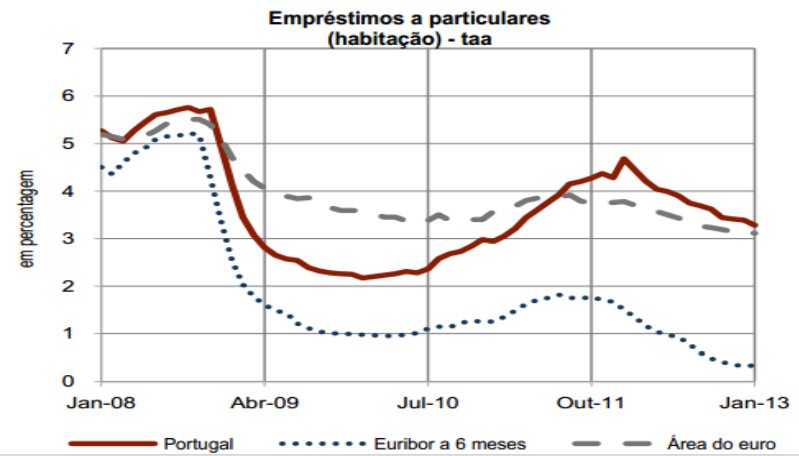
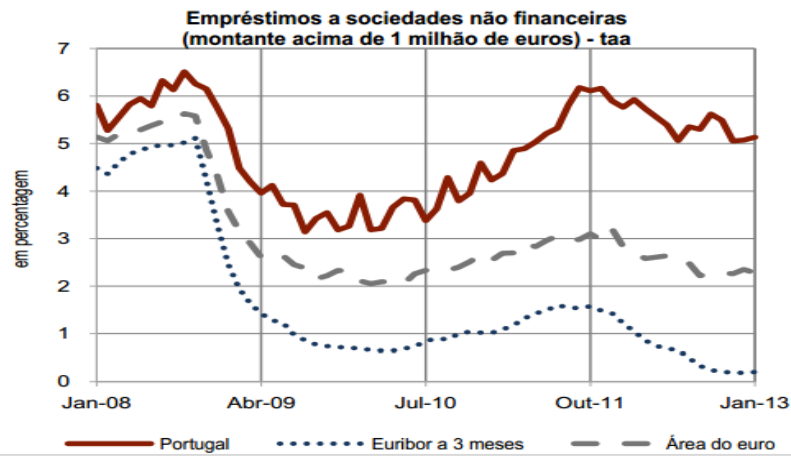
Un.: 10<sup>6</sup> euros

Ano	Total	Bens duradouros <i>Durable goods</i>			Bens correntes e serviços <i>Non-durable goods and services</i>			
		Total	Automóveis	Outros bens duradouros	Total	Bens não duradouros - alimentares	Bens não duradouros - não alimentares	Serviços
Year	Total	Total	Cars	Other durable goods	Total	Non-durable goods - food and beverage products	Non-durable goods - non-food and beverage products	Services
	1=2+5	2=3+4	3	4	5=6+7+8	6	7	8
1995	55.748,5	6.809,3	3.498,5	3.310,8	48.939,2	11.668,1	14.507,2	22.763,9
1996	59.105,3	7.500,4	3.800,3	3.700,1	51.604,9	12.209,1	15.264,0	24.131,8
1997	63.167,7	8.129,9	4.170,8	3.959,1	55.037,8	12.552,8	16.349,1	26.135,9
1998	67.971,3	9.485,0	5.017,7	4.467,3	58.486,3	13.621,6	17.457,0	27.407,7
1999	73.396,7	10.850,7	5.854,1	4.996,6	62.546,0	14.315,6	18.377,9	29.852,5
2000	78.735,7	11.492,2	6.131,0	5.361,2	67.243,5	14.845,3	19.769,5	32.628,7
2001	82.386,9	10.814,6	5.549,9	5.264,7	71.572,3	16.024,8	20.880,9	34.666,6
2002	85.744,5	10.514,4	5.205,5	5.308,9	75.230,1	16.511,6	22.039,4	36.679,1
2003	88.072,6	9.692,0	4.545,1	5.146,9	78.380,6	17.067,9	22.680,4	38.632,3
2004	92.739,2	10.295,7	5.052,2	5.243,5	82.443,5	17.630,4	23.642,7	41.170,4
2005	96.881,3	10.900,5	5.428,3	5.472,2	85.980,8	17.762,1	24.837,3	43.381,4
2006	101.660,6	11.202,6	5.548,5	5.654,1	90.458,0	18.589,8	25.913,5	45.954,7
2007	107.220,0	11.710,4	5.870,7	5.839,7	95.509,6	19.417,1	26.449,4	49.643,1
2008	111.363,2	11.610,3	5.660,5	5.949,8	99.752,9	20.529,7	26.937,1	52.286,1
2009	106.206,8	9.628,3	4.250,4	5.377,9	96.578,5	20.088,4	25.569,1	50.921,0
2010	110.395,2	10.955,8	5.460,5	5.495,3	99.439,4	20.364,7	26.687,9	52.386,8
2011P	110.243,5	8.873,7	4.192,9	4.680,8	101.369,8	20.756,3	x	x
2012P	106.240,6	6.548,1	2.677,7	3.870,4	99.692,5	21.317,4	x	x

(Source: INE - National Statistical Institute)

### Annex IV - Bank Interest Rates

	Portugal					Área do euro <sup>(2)</sup>					
	Dez-10	Dez-11	Jan-12	Dez-12	Jan-13	Dez-10	Dez-11	Jan-12	Dez-12	Jan-13	
	1	2	3	4	5	6	7	8	9	10	
(taxa acordada anualizada - taa - em percentagem)											
<b>Empréstimos</b>											
1	Sociedades não financeiras .....	5.21	6.50	6.56	5.69	5.63	2.89	3.49	3.23	2.68	2.66
2	Operações até 1 milhão de euros .....	5.93	7.52	7.61	6.52	6.68	3.60	4.43	4.37	3.77	3.78
3	Operações acima de 1 milhão de euros .....	4.59	5.89	5.76	5.07	5.13	2.66	3.20	2.83	2.35	2.28
<b>Particulares:</b>											
4	Habitação .....	2.98	4.28	4.68	3.39	3.28	3.40	3.76	3.78	3.18	3.11
5	Consumo .....	8.39	10.04	10.56	9.71	10.22	6.15	6.47	6.85	6.31	6.62
6	Outros fins .....	5.83	6.91	6.78	5.91	5.99	3.65	3.95	3.81	3.11	3.06
<b>Depósitos</b>											
7	Sociedades não financeiras: com prazo acordado, até 1 ano .....	3.22	2.92	2.94	1.33	1.92	1.19	1.53	1.36	1.09	1.12
8	Particulares: com prazo acordado, até 1 ano .....	2.56	3.56	3.75	2.34	2.47	2.27	2.78	2.94	2.73	2.60



(Source: Bank of Portugal and European Central Bank)

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Annex V - Public Debt

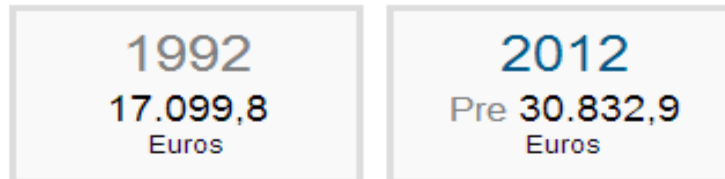
Estado Membro: Portugal Dados em milhões de euros Date:28/09/2012	Códigos SEC 95	Ano				
		2008 Final	2009 Final	2010 Provisório	2011 Provisório	2012 Previsto
<b>Capacidade (+)/necessidade (-) líquida de financiamento</b>	PDE B.9					
Administrações Públicas	S.13	<b>-6 235,6</b>	<b>-17 103,3</b>	<b>-16 950,1</b>	<b>-7 525,0</b>	<b>-8 303,3</b>
- Administração Central	S.1311	-7 031,0	-16 151,6	-16 293,5	-7 302,0	-7 810,1
- Administração Local	S.1313	- 851,7	-1 341,8	-1 441,2	- 661,5	200,9
- Fundos de Segurança Social	S.1314	1 647,2	390,1	784,7	438,4	- 694,1
<b>Dívida Bruta das Administrações Públicas (consolidada)</b>		<b>Final</b>	<b>Final</b>	<b>Provisório</b>	<b>Provisório</b>	<b>Previsto</b>
<b>Valor nominal no final do ano</b>		<b>123 302,0</b>	<b>140 225,7</b>	<b>161 529,9</b>	<b>184 699,3</b>	<b>198 100,0</b>
<i>Por categoria</i>						
Moeda e depósitos	AF.2	12 925,3	12 288,0	11 792,7	10 200,2	
Títulos excepto acções, excluindo derivados financeiros	AF.33	94 604,6	110 351,7	128 092,7	116 987,5	
<i>Curto Prazo</i>	AF.331	16 435,1	20 405,1	20 835,0	11 080,4	
<i>Longo Prazo</i>	AF.332	78 169,6	89 946,6	107 257,7	105 907,1	
Empréstimos	AF.4	15 772,0	17 586,1	21 644,5	57 511,7	
<i>Curto Prazo</i>	AF.41	2 213,7	1 726,1	3 821,2	3 958,4	
<i>Longo Prazo</i>	AF.42	13 558,3	15 860,0	17 823,3	53 553,2	
<b>Despesa da Administração Pública em:</b>						
<b>Formação Bruta de Capital Fixo</b>	P.51	5 059,4	5 060,3	6 225,2	4 432,0	3 638,9
<b>Juros (consolidado)</b>	PDE D.41	5 188,4	4 775,4	4 935,9	6 881,2	7 217,9
<b>p.m.: Juros (consolidado)</b>	D.41 (Empregos)	5 311,2	4 807,5	4 982,0	6 862,4	7 247,7
<b>Produto Interno Bruto, a preços de mercado</b>	B.1*g	<b>171 983,1</b>	<b>168 503,6</b>	<b>172 669,7</b>	<b>170 909,0</b>	<b>166 341,1</b>
<i>Por Memória:</i>						
Rácio Capacidade/necessidade líquida de financiamento no PIBpm		-3,6%	-10,2%	-9,8%	-4,4%	-5,0%
Rácio dívida Bruta das Administrações Públicas (consolidada) no PIBpm		71,7%	83,2%	93,5%	108,1%	119,1%

(Source: INE – National Statistical Institute)

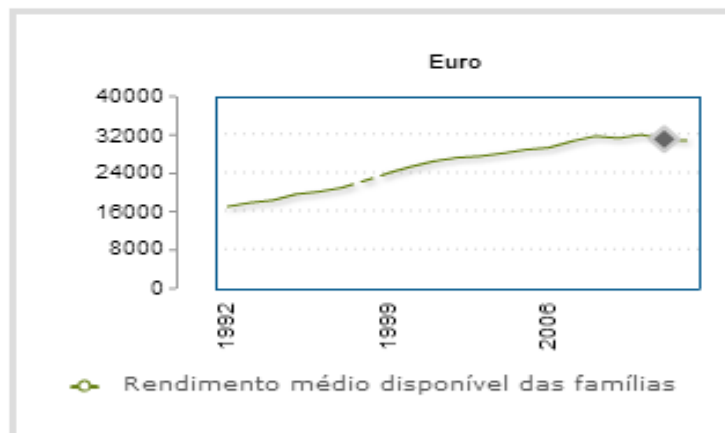
## Annex VI - Available average income of families in Portugal

Euro

Anos	Rendimento médio disponível das famílias
+ 1992	17.099,8
2000	25.456,5
2001	26.536,2
2002	27.327,2
2003	27.575,0
2004	28.233,2
2005	28.959,5
2006	29.379,1
2007	30.731,4
2008	31.733,9
2009	31.322,1
2010	32.116,9
2011	⊥ Pre 31.186,7
2012	Pre 30.832,9



Rendimento médio disponível das famílias



Fontes/Entidades: INE-BP, INE, PORDATA

Carregue no gráfico para ver em detalhe

(Source: INE – National Statistical Institute and Bank of Portugal)

**Annex VII - Percentage of people that use computer and internet respectively by level of schooling**

+ Anos	Utilização de computador por nível de escolaridade				Utilização de Internet por nível de escolaridade			
	Total	Ensino Básico	Ensino Secundário	Ensino Superior	Total	Ensino Básico	Ensino Secundário	Ensino Superior
2002	27,4	15,0	71,6	81,6	19,4	8,5	56,9	68,6
2003	36,2	22,2	81,3	89,9	25,7	12,6	66,5	77,6
2004	37,2	21,9	83,3	91,9	29,3	14,5	72,7	84,2
2005	39,6	24,1	85,8	90,2	32,0	16,4	77,0	85,1
2006	42,5	26,8	86,9	91,0	35,6	19,5	80,3	86,9
2007	45,8	30,3	87,9	93,5	39,6	23,9	80,9	89,5
2008	45,9	30,2	90,0	92,5	41,9	25,7	86,9	90,5
2009	51,4	35,5	91,2	95,1	46,5	30,1	86,8	92,6
2010	55,4	39,7	94,3	97,0	51,1	34,3	92,2	95,7
2011	58,2	40,9	95,4	95,4	55,3	37,3	93,3	94,8
2012	62,4	44,6	95,8	95,8	60,3	42,1	93,9	95,4

(Source: INE – National Statistical Institute)

**Annex VIII - Expenditure on research and development in % of GDP by sector**

+ Anos	Sectores de execução				
	Total	Empresas	Estado	Ensino Superior	Instituições Privadas sem Fins Lucrativos
+ 1982	0,3	0,1	0,1	0,1	0,0
+ 1990	0,5	0,1	0,1	0,2	0,1
2000	-	-	-	-	-
2001	0,8	0,2	0,2	0,3	0,1
2002	-	-	-	-	-
2003	0,7	0,2	0,1	0,3	0,1
2004	-	-	-	-	-
2005	0,8	0,3	0,1	0,3	0,1
2006	-	-	-	-	-
2007	1,2	0,6	0,1	0,3	0,1
2008	1,5	0,8	0,1	0,5	0,1
2009	1,6	0,8	0,1	0,6	0,1
2010	1,6	0,7	0,1	0,6	0,2

(Source: INE – National Statistical Institute and Bank of Portugal)

## Annex IX – Questionnaire

**Bom dia, o meu nome é Diogo Alves e estou a realizar este questionário no âmbito da minha tese de mestrado. Trata-se de um plano de negócios para a criação de um centro de explicações com um espaço de estudo de livre acesso, onde se poderá usufruir de Internet, fichas eléctricas, mesas, cadeiras e todo o tipo de conforto necessário para que se possa estudar e realizar trabalhos da melhor maneira possível. Terá também um serviço de cafetaria associado, onde poderão comprar sandes, tostas, gelados, sumos, batidos, cafés, etc.**

**Pedia que respondesses às próximas questões, o questionário demora cerca de 1 minuto a ser respondido.**

Que tipo de Ensino Frequentas?

- Ensino Secundário
- Ensino Universitário

Sexo?

- Masculino
- Feminino



# BUSINESS PLAN FOR AN INNOVATIVE TUTORING AND STUDY CENTER

Onde Costumas Estudar?

- Em casa
- Na escola
- Na Biblioteca
- Num café
- Outro, Qual?

Sentes a necessidade de um espaço confortável e com todas as condições necessárias para que possas estudar e fazer os trabalhos?

- Sim
- Não

Se existisse um Centro do género descrito na introdução deste Questionário frequentá-lo-ias?

- Sim
- Não
- Talvez

Porque razões frequentaria?

Porque razões não frequentaria?

## Annex X - Four question of the questionnaire

### 4. Porque razões frequentaria?

#	Answer	Response	%
1		145	100%
	Total	145	100%

### Some examples of answers:

Não me costumo conseguir concentrar em casa

Estar num sítio próprio para estudar ajuda-me a concentrar

Parece um sítio comodo e interessante de frequentar em tardes de estudo.

estudo melhor em casa, sem distrações externas

ambiente agradável para estudar pois por vezes é necessário condições diferentes e também estudo em grupo, o que não acontece em casa.

porque sinto que o meu estudo é mais produtivo

Frequentaria esse Centro pois só consigo estudar se o ambiente que me rodeia seja um espaço de estudo, ou estejam mais pessoas a estudar.

Por vezes em casa é fácil haver distrações e num sitio apropriado e onde fosse possível realmente estudar bem como o desenvolvimento de trabalhos

Prespectiva de boas condições para estudar

## BUSINESS PLAN FOR AN INNOVATIVE TUTORING AND STUDY CENTER

Por ter a comodidade necessária para estudar, e também por ter um espaço onde após o estudo poderíamos tomar algo na companhia dos colegas de es

Facilidade de acesso a conteúdos

Fora do local habitual de estudo (faculdade), espairecer, conhecer novos espaços

comodidade

Por ser confortável, e ter o ambiente de estudo que necessito

Maximização das condições de estudo

Porque evitaria distrações que teria, por exemplo, em casa

para me aplicar mais

conforto e pelo serviço de cafetaria.

Seria um local agradável e mais uma experiência de locais de estudo.

Mais sossegado e com condições

Porque soa ser uma alternativa melhor à que tenho usado.

Pelo à vontade que proporcionaria

Ambiente Agradável

Porque parece apresentar as condições necessárias para trabalhar, incluindo fichas para ligar os pc

Gosto de estudar acompanhado

Gosto de estudar fora de casa, mas considero que as condições dos espaços não são propicias (barulho, internet, etc...)

boa internet, silencio e cafe

por ser diferente e útil

## Annex XI - Fifth question on the questionnaire

5. Porque razões não frequentaria?

#	Answer	Response	%
1		17	100%
	Total	17	100%

### Somes examples of answer:

Porque é preciso um ambiente calmo e com as condições certas para uma concentração a 100%

Tenho neste momento condições em casa, porém se não tivesse, seria uma opção válida

pelo barulho vindo do café

Localização

Não aplicável

Já tenho um espaço porreiro para estar com os amigos

Gosto de estudar em silêncio

sem distrações

Gosto de estudar em silêncio

Falta de concentração

**Annex XII - Enrollment in University in Portugal between 18-22 years**

Localização geográfica	Taxa de escolarização no ensino superior (alunos com idade entre 18 e 22 anos - %) por Localização geográfica; Anual
	Período de referência dos dados
	2008 / 2009
	%
Portugal	29,7
Continente	31,0
Região Autónoma dos Açores	8,2
Região Autónoma da Madeira	9,3

Taxa de escolarização no ensino superior (alunos com idade entre 18 e 22 anos - %) por Localização geográfica; Anual - Min. da Ciência, Tecnologia e Ensino Superior

(Source: INE – National Statistical Institute and Bank of Portugal)

**Annex XIII - Estaria disposto a frequentar um centro assim**

**3.** Se existisse um Centro do género descrito na introdução deste Questionário frequentá-lo-ias?

#	Answer	Response	%
1	Sim	113	57%
2	Não	21	11%
3	Talvez	66	33%
	Total	200	100%

Table Options	
Statistic	Value
Min Value	1
Max Value	3
Mean	1.77
Variance	0.84
Standard Deviation	0.92
Total Responses	200

Annex XIV - **Registration Form**

---

Registration  
Form

Nome Completo:

---

Idade:

---

Escola:

---

Ano de Matricula:

---

Morada:

---

Local de Residência:

---

Email:

---

Número de Telemóvel:

---

Contato Alternativo:

---

BUSINESS PLAN FOR AN INNOVATIVE TUTORING AND STUDY CENTER

**Annex XV - Sales in Value**

Sales in Value	Year 0			Year 1		
	Sales		Tutor	Sales		Tutor
Tutoring sessions for university	No VAT	With VAT		No VAT	With VAT	
Tutoring sessions for university individual	6.595 €	8.112 €	2.638 €	27.040 €	33.259 €	10.816 €
Tutoring sessions for university group	5.073 €	6.240 €	2.029 €	20.800 €	25.584 €	8.320 €
Tutoring sessions for high school						
Tutoring sessions for high school individual	6.426 €	7.904 €	2.570 €	26.347 €	32.406 €	10.539 €
Tutoring sessions for high school group	5.073 €	6.240 €	2.029 €	20.800 €	25.584 €	8.320 €
Tutoring sessions for primary school						
Tutoring sessions for primary individual	2.537 €	3.120 €	1.015 €	10.400 €	12.792 €	4.160 €
Tutoring sessions for primary group	1.691 €	2.080 €	676 €	6.933 €	8.528 €	2.773 €
Tutoring sessions for elementary school						
Tutoring sessions for elementary individual	1.268 €	1.560 €	507 €	5.200 €	6.396 €	2.080 €
Tutoring sessions for elementary group	846 €	1.040 €	338 €	3.467 €	4.264 €	1.387 €
Total	29.509 €	36.296 €	11.804 €	120.987 €	148.814 €	48.395 €



BUSINESS PLAN FOR AN INNOVATIVE TUTORING AND STUDY CENTER

Sales in Value	Year 2			Year 3		
	Sales		Tutor	Sales		Tutor
	No VAT	With VAT		No VAT	With VAT	
<b>Tutoring sessions for university</b>						
Tutoring sessions for university individual	28.582 €	35.156 €	11.433 €	29.297 €	36.035 €	11.719 €
Tutoring sessions for university group	21.986 €	27.043 €	8.795 €	22.536 €	27.719 €	9.014 €
<b>Tutoring sessions for high school</b>				0 €		
Tutoring sessions for high school individual	27.849 €	34.255 €	11.140 €	28.545 €	35.111 €	11.418 €
Tutoring sessions for high school group	21.986 €	27.043 €	8.795 €	22.536 €	27.719 €	9.014 €
<b>Tutoring sessions for primary school</b>				0 €		
Tutoring sessions for primary individual	10.993 €	13.522 €	4.397 €	11.268 €	13.860 €	4.507 €
Tutoring sessions for primary group	7.329 €	9.014 €	2.932 €	7.512 €	9.240 €	3.005 €
<b>Tutoring sessions for elementary school</b>				0 €		
Tutoring sessions for elementary individual	5.497 €	6.761 €	2.199 €	5.634 €	6.930 €	2.254 €
Tutoring sessions for elementary group	3.664 €	4.507 €	1.466 €	3.756 €	4.620 €	1.502 €
<b>Total</b>	<b>127.887 €</b>	<b>157.301 €</b>	<b>51.155 €</b>	<b>131.084 €</b>	<b>161.233 €</b>	<b>52.434 €</b>

BUSINESS PLAN FOR AN INNOVATIVE TUTORING AND STUDY CENTER

Sales in value	Year 4			Year 5		
	Sales		Tutor	Sales		Tutor
	No VAT	With VAT		No VAT	With VAT	
<b>Tutoring sessions for university</b>						
Tutoring sessions for university individual	35.034 €	43.092 €	14.014 €	35.910 €	44.169 €	14.364 €
Tutoring sessions for university group	26.949 €	33.148 €	10.780 €	27.623 €	33.976 €	11.049 €
<b>Tutoring sessions for high school</b>	0 €			0 €		
Tutoring sessions for high school individual	34.136 €	41.987 €	13.654 €	34.989 €	43.037 €	13.996 €
Tutoring sessions for high school group	26.949 €	33.148 €	10.780 €	27.623 €	33.976 €	11.049 €
<b>Tutoring sessions for primary school</b>	0 €			0 €		
Tutoring sessions for primary individual	13.475 €	16.574 €	5.390 €	13.811 €	16.988 €	5.525 €
Tutoring sessions for primary group	8.983 €	11.049 €	3.593 €	9.208 €	11.325 €	3.683 €
<b>Tutoring sessions for elementary school</b>	0 €			0 €		
Tutoring sessions for elementary individual	6.737 €	8.287 €	2.695 €	6.906 €	8.494 €	2.762 €
Tutoring sessions for elementary group	4.492 €	5.525 €	1.797 €	4.604 €	5.663 €	1.842 €
<b>Total</b>	156.754 €	192.808 €	62.702 €	160.673 €	197.628 €	64.269 €

BUSINESS PLAN FOR AN INNOVATIVE TUTORING AND STUDY CENTER

Sales in Value	Year 6			Year 7		
	Sales		Tutor	Sales		Tutor
	No VAT	With VAT		No VAT	With VAT	
<b>Tutoring sessions for university</b>						
Tutoring sessions for university individual	36.808 €	45.273 €	14.723 €	37.728 €	46.405 €	15.091 €
Tutoring sessions for university group	28.313 €	34.826 €	11.325 €	29.021 €	35.696 €	11.609 €
<b>Tutoring sessions for high school</b>	0 €			0 €		
Tutoring sessions for high school individual	35.864 €	44.112 €	14.346 €	36.760 €	45.215 €	14.704 €
Tutoring sessions for high school group	28.313 €	34.826 €	11.325 €	29.021 €	35.696 €	11.609 €
<b>Tutoring sessions for primary school</b>	0 €			0 €		
Tutoring sessions for primary individual	14.157 €	17.413 €	5.663 €	14.511 €	17.848 €	5.804 €
Tutoring sessions for primary group	9.438 €	11.609 €	3.775 €	9.674 €	11.899 €	3.870 €
<b>Tutoring sessions for elementary school</b>	0 €			0 €		
Tutoring sessions for elementary individual	7.078 €	8.706 €	2.831 €	7.255 €	8.924 €	2.902 €
Tutoring sessions for elementary group	4.719 €	5.804 €	1.888 €	4.837 €	5.949 €	1.935 €
<b>Total</b>	164.690 €	202.569 €	65.876 €	168.807 €	207.633 €	67.523 €

BUSINESS PLAN FOR AN INNOVATIVE TUTORING AND STUDY CENTER

Annex XVI - Price Growth

Price Growth	Year 0		Year 1		Year 2		Year 3	
	Price		Price		Price		Price	
	No VAT	With VAT	No VAT	With VAT	No VAT	With VAT	No VAT	With VAT
<b>Tutoring sessions for university</b>								
Tutoring sessions for university individual	21,14 €	26,00 €	21,67 €	26,65 €	22,21 €	27,32 €	22,76 €	28,00 €
Tutoring sessions for university group	16,26 €	20,00 €	16,67 €	20,50 €	17,08 €	21,01 €	17,51 €	21,54 €
<b>Tutoring sessions for high school</b>								
Tutoring sessions for high school individual	15,45 €	19,00 €	15,83 €	19,48 €	16,23 €	19,96 €	16,63 €	20,46 €
Tutoring sessions for high school group	12,20 €	15,00 €	12,50 €	15,38 €	12,81 €	15,76 €	13,13 €	16,15 €
<b>Tutoring sessions for primary school</b>								
Tutoring sessions for primary individual	12,20 €	15,00 €	12,50 €	15,38 €	12,81 €	15,76 €	13,13 €	16,15 €
Tutoring sessions for primary group	8,13 €	10,00 €	8,33 €	10,25 €	8,54 €	10,51 €	8,76 €	10,77 €
<b>Tutoring sessions for elementary school</b>								
Tutoring sessions for elementary individual	12,20 €	15,00 €	12,50 €	15,38 €	12,81 €	15,76 €	13,13 €	16,15 €
Tutoring sessions for elementary group	8,13 €	10,00 €	8,33 €	10,25 €	8,54 €	10,51 €	8,76 €	10,77 €

BUSINESS PLAN FOR AN INNOVATIVE TUTORING AND STUDY CENTER

Price Growth	Year 4		Year 5		Year 6		Year 7	
	Price		Price		Price		Price	
	No VAT	With VAT	No VAT	With VAT	No VAT	With VAT	No VAT	With VAT
<b>Tutoring sessions for university</b>								
Tutoring sessions for university individual	23,33 €	28,70 €	23,92 €	29,42 €	24,51 €	30,15 €	25,13 €	30,91 €
Tutoring sessions for university group	17,95 €	22,08 €	18,40 €	22,63 €	18,86 €	23,19 €	19,33 €	23,77 €
<b>Tutoring sessions for high school</b>								
Tutoring sessions for high school individual	17,05 €	20,97 €	17,48 €	21,50 €	17,91 €	22,03 €	18,36 €	22,59 €
Tutoring sessions for high school group	13,46 €	16,56 €	13,80 €	16,97 €	14,14 €	17,40 €	14,50 €	17,83 €
<b>Tutoring sessions for primary school</b>								
Tutoring sessions for primary individual	13,46 €	16,56 €	13,80 €	16,97 €	14,14 €	17,40 €	14,50 €	17,83 €
Tutoring sessions for primary group	8,97 €	11,04 €	9,20 €	11,31 €	9,43 €	11,60 €	9,66 €	11,89 €
<b>Tutoring sessions for elementary school</b>								
Tutoring sessions for elementary individual	13,46 €	16,56 €	13,80 €	16,97 €	14,14 €	17,40 €	14,50 €	17,83 €
Tutoring sessions for elementary group	8,97 €	11,04 €	9,20 €	11,31 €	9,43 €	11,60 €	9,66 €	11,89 €

## Annex XVII - Advertising Costs

Estimated Spending on Advertising	Year 0	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7
T-shirts	57,00 €							
Flyers	28,61 €							
Inauguration Party	250,00 €							
TOTAL (no VAT)	335,61 €	0,00 €	0,00 €	0,00 €	0,00 €	0,00 €	0,00 €	0,00 €
TOTAL (with VAT)	412,80 €	0,00 €	0,00 €	0,00 €	0,00 €	0,00 €	0,00 €	0,00 €

The t-shirts will be bought in a store in Alverca called Imagem Criativa.

The Flyers will be bought in the site print24.

The price for the inauguration party was calculated based on 5 euros per person for 50 persons.

## Annex XVIII - Fire Extinguishers

Estimates Conservation Repair	Year 0	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6
Maintenance of the Fire Extinguishers							
Value (no VAT)	15,85 €	16,24 €	16,65 €	17,06 €	17,49 €	17,93 €	18,38 €
Value (with VAT)	16,80 €	17,22 €	17,65 €	18,09 €	18,54 €	19,00 €	19,48 €

The Maintenance of the fire Extinguishers will be done in the same place of their acquisition (volunteered fireman of Seixal).

**Annex XIX - Material for Tutoring Sessions**

Material for Tutoring Sessions	YEAR 0					
	Start of the Business	Store	Unit Costs (no VAT)	Unit Costs (with VAT)	Quantity	Total Cost (no VAT)
Expenses for the beginning of the business, just happens one time						
Pencil Holder	Staples	3,63 €	4,46 €	6	21,78 €	26,79 €
Sheet Tray	Staples	5,03 €	6,19 €	2	10,06 €	12,37 €
Desk Pads	Staples	10,97 €	13,49 €	1	10,97 €	13,49 €
Cardholder	Staples	3,00 €	3,69 €	2	6,00 €	7,38 €
Paper Punch	Staples	3,00 €	3,69 €	6	18,00 €	22,14 €
Small Staplers	Staples	3,24 €	3,99 €	6	19,44 €	23,91 €
Big Staplers	Staples	1,64 €	2,02 €	6	9,84 €	12,10 €
Staple Remover	Staples	7,31 €	8,99 €	6	43,86 €	53,95 €
X-acts	Staples	0,65 €	0,80 €	6	3,90 €	4,80 €
Scissors	Staples	1,05 €	1,29 €	6	6,30 €	7,75 €
Rullers	Staples	0,16 €	0,20 €	6	0,96 €	1,18 €
First Aid Box	Staples	0,64 €	0,79 €	2	1,28 €	1,57 €
Toilet Paper Roll Holder	Staples	16,18 €	19,90 €	4	64,72 €	79,61 €
Liquid Hand Soap	IZI	20,65 €	25,40 €	4	82,60 €	101,60 €
Paper Dispenser Hand	IZI	25,53 €	31,40 €	4	102,12 €	125,61 €
Piassaba	IZI	60,83 €	74,82 €	4	243,32 €	299,28 €
Trash Bathroom	IZI	33,05 €	40,65 €	4	132,20 €	162,61 €
Paper Basket	AKI	8,90 €	10,95 €	4	35,60 €	43,79 €
<b>TOTAL</b>					<b>812,95 €</b>	<b>999,93 €</b>

The material for the tutoring sessions will be bought in the stores that are presented in the table.

BUSINESS PLAN FOR AN INNOVATIVE TUTORING AND STUDY CENTER

## Annex XX - Operating Costs

Operating Costs	Store	Unit Cost (no VAT)	Unit Cost (with VAT)	Quantity	Total Cost (no VAT)	Total Cost (with VAT)	Purchase/ year	YEAR 0		YEAR 1		YEAR 2		YEAR 3		YEAR 4		YEAR 5		YEAR 6		YEAR 7	
								no VAT	with VAT	no VAT	with VAT	no VAT	with VAT	no VAT	with VAT	no VAT	with VAT	no VAT	with VAT	no VAT	with VAT	no VAT	with VAT
Consumables that we will have all years / months							Quantity	no VAT	with VAT	no VAT	with VAT	no VAT	with VAT	no VAT	with VAT	no VAT	with VAT	no VAT	with VAT	no VAT	with VAT	no VAT	with VAT
Hand-towels	Staples	64,96 €	79,90 €	1	64,96 €	79,90 €	2	129,92 €	159,80 €	133,17 €	163,80 €	136,50 €	167,89 €	139,91 €	172,09 €	143,41 €	176,39 €	146,99 €	180,80 €	150,67 €	185,32 €	154,43 €	189,95 €
Thin Spine Dossiers	Staples	1,54 €	1,89 €	6	9,24 €	11,37 €	1	9,24 €	11,37 €	9,47 €	11,65 €	9,71 €	11,94 €	9,95 €	12,24 €	10,20 €	12,55 €	10,45 €	12,86 €	10,72 €	13,18 €	10,98 €	13,51 €
Boxes of 5 reams of paper	Staples	12,35 €	15,19 €	4	49,40 €	60,76 €	1	49,40 €	60,76 €	50,64 €	62,28 €	51,90 €	63,84 €	53,20 €	65,43 €	54,53 €	67,07 €	55,89 €	68,75 €	57,29 €	70,47 €	58,72 €	72,23 €
Box of 10 Markers	Staples	7,55 €	9,29 €	2	15,10 €	18,57 €	1	15,10 €	18,57 €	15,48 €	19,04 €	15,86 €	19,51 €	16,26 €	20,07 €	16,67 €	20,50 €	17,08 €	21,01 €	17,51 €	21,54 €	17,95 €	22,08 €
Set of 3 Mechanical Pencils	Staples	2,02 €	2,48 €	3	6,06 €	7,45 €	1	6,06 €	7,45 €	6,21 €	7,64 €	6,37 €	7,83 €	6,53 €	8,03 €	6,69 €	8,23 €	6,86 €	8,43 €	7,03 €	8,64 €	7,20 €	8,86 €
Set of 3 lead boxes	Staples	1,29 €	1,59 €	3	3,87 €	4,76 €	1	3,87 €	4,76 €	3,97 €	4,88 €	4,07 €	5,00 €	4,17 €	5,13 €	4,27 €	5,25 €	4,38 €	5,39 €	4,49 €	5,52 €	4,60 €	5,66 €
Set of 10 Pencils	Staples	3,81 €	4,69 €	1	3,81 €	4,69 €	1	3,81 €	4,69 €	3,91 €	4,80 €	4,00 €	4,92 €	4,10 €	5,05 €	4,21 €	5,17 €	4,31 €	5,30 €	4,42 €	5,43 €	4,53 €	5,57 €
Set of 9 rubbers	Staples	2,84 €	3,49 €	1	2,84 €	3,49 €	1	2,84 €	3,49 €	2,91 €	3,58 €	2,98 €	3,67 €	3,06 €	3,76 €	3,13 €	3,86 €	3,21 €	3,95 €	3,29 €	4,05 €	3,38 €	4,15 €
Set of 10 correction fluid	Staples	10,56 €	12,99 €	1	10,56 €	12,99 €	1	10,56 €	12,99 €	10,82 €	13,31 €	11,09 €	13,65 €	11,37 €	13,99 €	11,66 €	14,34 €	11,95 €	14,70 €	12,20 €	15,06 €	12,55 €	15,44 €
Box of 20 pens	Staples	5,68 €	6,99 €	3	17,04 €	20,96 €	1	17,04 €	20,96 €	17,47 €	21,48 €	17,90 €	22,02 €	18,35 €	22,57 €	18,81 €	23,14 €	19,28 €	23,71 €	19,76 €	24,31 €	20,26 €	24,91 €

The operating costs encompasses all the consumables that will be used in the center.



BUSINESS PLAN FOR AN INNOVATIVE TUTORING AND STUDY CENTER

Operating Costs	Store	Unit Cost (no VAT)	Unit Cost (with VAT)	Quantity	Total Cost (no VAT)	Total Cost (with VAT)	Purchase/year	YEAR 0		YEAR 1		YEAR 2		YEAR 3		YEAR 4		YEAR 5		YEAR 6		YEAR 7	
								no VAT	with VAT	no VAT	with VAT	no VAT	with VAT	no VAT	with VAT	no VAT	with VAT	no VAT	with VAT	no VAT	with VAT	no VAT	with VAT
Consumables that we will have all years / months							Quantity	no VAT	with VAT	no VAT	with VAT	no VAT	with VAT	no VAT	with VAT	no VAT	with VAT	no VAT	with VAT	no VAT	with VAT	no VAT	with VAT
A6 Notepads	Staples	0,49 €	0,60 €	6	2,94 €	3,62 €	1	2,94 €	3,62 €	3,01 €	3,71 €	3,09 €	3,80 €	3,17 €	3,89 €	3,25 €	3,99 €	3,33 €	4,09 €	3,41 €	4,19 €	3,49 €	4,30 €
A4 Notepads	Staples	1,02 €	1,25 €	6	6,12 €	7,53 €	1	6,12 €	7,53 €	6,27 €	7,72 €	6,43 €	7,91 €	6,59 €	8,11 €	6,76 €	8,31 €	6,92 €	8,52 €	7,10 €	8,73 €	7,27 €	8,95 €
Set of 3 glues	Staples	3,00 €	3,69 €	2	6,00 €	7,38 €	1	6,00 €	7,38 €	6,15 €	7,56 €	6,30 €	7,75 €	6,46 €	7,95 €	6,62 €	8,15 €	6,79 €	8,35 €	6,96 €	8,56 €	7,13 €	8,77 €
Set of 10 tapes	Staples	2,27 €	2,79 €	1	2,27 €	2,79 €	1	2,27 €	2,79 €	2,33 €	2,86 €	2,38 €	2,93 €	2,44 €	3,01 €	2,51 €	3,08 €	2,57 €	3,16 €	2,63 €	3,24 €	2,70 €	3,32 €
Post-it	Staples	10,81 €	13,30 €	1	10,81 €	13,30 €	1	10,81 €	13,30 €	11,08 €	13,63 €	11,36 €	13,97 €	11,64 €	14,32 €	11,93 €	14,68 €	12,23 €	15,04 €	12,54 €	15,42 €	12,85 €	15,81 €
Staples (10 boxes)	Staples	3,49 €	4,29 €	1	3,49 €	4,29 €	1	3,49 €	4,29 €	3,58 €	4,40 €	3,67 €	4,51 €	3,76 €	4,62 €	3,85 €	4,74 €	3,95 €	4,86 €	4,05 €	4,98 €	4,15 €	5,10 €
Clips	Staples	1,65 €	2,03 €	2	3,30 €	4,06 €	1	3,30 €	4,06 €	3,38 €	4,16 €	3,47 €	4,26 €	3,55 €	4,37 €	3,64 €	4,48 €	3,73 €	4,59 €	3,83 €	4,71 €	3,92 €	4,82 €
Pencil sharpeners (set of 2)	Staples	0,56 €	0,69 €	2	1,12 €	1,38 €	1	1,12 €	1,38 €	1,15 €	1,41 €	1,18 €	1,45 €	1,21 €	1,48 €	1,24 €	1,52 €	1,27 €	1,56 €	1,30 €	1,60 €	1,33 €	1,64 €
Toilet paper (12 scrolls)	Continte	1,05 €	1,29 €	4	4,20 €	5,17 €	12	50,40 €	61,99 €	51,66 €	63,54 €	52,95 €	65,13 €	54,28 €	66,76 €	55,63 €	68,43 €	57,02 €	70,14 €	58,45 €	71,89 €	59,91 €	73,69 €
<b>TOTAL</b>					<b>223,13 €</b>	<b>274,45 €</b>	-	<b>334,29 €</b>	<b>411,18 €</b>	<b>342,65 €</b>	<b>421,46 €</b>	<b>351,21 €</b>	<b>431,99 €</b>	<b>359,99 €</b>	<b>442,79 €</b>	<b>368,99 €</b>	<b>453,86 €</b>	<b>378,22 €</b>	<b>465,21 €</b>	<b>387,67 €</b>	<b>476,84 €</b>	<b>397,37 €</b>	<b>488,76 €</b>

The operating costs encompasses all the consumables that will be used in the center.

### Annex XXI - Energy and Fluids

Energy and Fluids	YEAR 0	YEAR 1	YEAR 2	YEAR 3	YEAR 4	YEAR 5	YEAR 6	YEAR 7
<b>Electricity</b>								
Value (no VAT)	250,00 €	3.075,00 €	3.151,88 €	3.230,67 €	3.311,44 €	3.394,22 €	3.479,08 €	3.566,06 €
Value (with VAT)	265,00 €	3.259,50 €	3.340,99 €	3.424,51 €	3.510,12 €	3.597,88 €	3.687,83 €	3.780,02 €
<b>Water</b>								
Value (no VAT)	400,00 €	1.230,00 €	1.260,75 €	1.292,27 €	1.324,58 €	1.357,69 €	1.391,63 €	1.426,42 €
Value (with VAT)	492,00 €	1.512,90 €	1.550,72 €	1.589,49 €	1.629,23 €	1.669,96 €	1.711,71 €	1.754,50 €
<b>TOTAL (no VAT)</b>	<b>650,00 €</b>	<b>4.305,00 €</b>	<b>4.412,63 €</b>	<b>4.522,94 €</b>	<b>4.636,01 €</b>	<b>4.751,91 €</b>	<b>4.870,71 €</b>	<b>4.992,48 €</b>
<b>TOTAL (with VAT)</b>	<b>757,00 €</b>	<b>4.772,40 €</b>	<b>4.891,71 €</b>	<b>5.014,00 €</b>	<b>5.139,35 €</b>	<b>5.267,84 €</b>	<b>5.399,53 €</b>	<b>5.534,52 €</b>

The numbers presented above were calculated based on a small café, which belongs to a friend, and also on a tutoring center.

### Annex XXII - Estimating Costs of Cleaning and Hygiene

Estimating Costs of Cleaning and Hygiene	YEAR 0	YEAR 1	YEAR 2	YEAR 3	YEAR 4	YEAR 5	YEAR 6	YEAR 7
Cleaning Lady								
Average number of hours per week	9	9	9	9	9	9	9	9
Cost per hour	7,00 €	7,00 €	7,00 €	7,00 €	7,00 €	7,00 €	7,00 €	7,00 €
Total Cost (week)	63,00 €	63,00 €	63,00 €	63,00 €	63,00 €	63,00 €	63,00 €	63,00 €
<b>Total Cost (month)</b>	<b>264,60 €</b>	<b>264,60 €</b>	<b>264,60 €</b>	<b>264,60 €</b>	<b>264,60 €</b>	<b>264,60 €</b>	<b>264,60 €</b>	<b>264,60 €</b>
<b>Total Cost (year)</b>	<b>3.175,20 €</b>	<b>3.175,20 €</b>	<b>3.175,20 €</b>	<b>3.175,20 €</b>	<b>3.175,20 €</b>	<b>3.175,20 €</b>	<b>3.175,20 €</b>	<b>3.175,20 €</b>

The estimating costs of Cleaning and Hygiene were given by the company Samsic Portugal.

### Annex XXIII – Store Rent

Store Rent	YEAR 0	YEAR 1	YEAR 2	YEAR 3	YEAR 4	YEAR 5	YEAR 6	YEAR 7
Monthly	1.000,00 €	1.000,00€	1.000,00 €	1.000,00€	1.000,00 €	1.000,00€	1.000,00€	1.000,00€
Number of incomes considered expenses on the year ...	4	10	10	10	10	10	10	10
Expenses per year	4.000,00 €	10.000,00€	10.000,00 €	10.000,00€	10.000,00€	10.000,00€	10.000,00€	10.000,00€
Number of deferred incomes	2	2	2	2	2	2	2	2
Total difered	2.000,00 €	2.000,00 €	2.000,00 €	2.000,00 €	2.000,00€	2.000,00€	2.000,00€	2.000,00€
Number of rents paid in the year	6	12	12	12	12	12	12	12
Total paid	6.000,00 €	12.000,00 €	12.000,00 €	12.000,00€	12.000,00€	12.000,00€	12.000,00€	12.000,00€

The store's rent englobes three rents, because are three stores together, so, the rents are: 400 euros for the store where the tutoring center is; the store with the cafeteria service and the store with the study place cost 300 euros each.

### Annex XXIV - Estimated Costs in Telecommunications

Estimated Costs in Telecommunications	Year 0	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7
Internet + Wireline + Television	79,90 €	81,90 €	83,94 €	86,04 €	88,19 €	90,40 €	92,66 €	94,98 €
Total (no VAT)	64,96 €	66,58 €	68,25 €	69,95 €	71,70 €	73,50 €	75,33 €	77,22 €
Total (with VAT)	79,90 €	81,90 €	83,94 €	86,04 €	88,19 €	90,40 €	92,66 €	94,98 €

The prices for the Internet, wireline and television are based on the current prices of MEO (<http://meo.pt/aderir/pacote-m4o/m4o-intro>).

BUSINESS PLAN FOR AN INNOVATIVE TUTORING AND STUDY CENTER

**Annex XXV - Partner-administration**

<b>Partner-administration</b>	<b>YEAR 0</b>	<b>YEAR 1</b>	<b>YEAR 2</b>	<b>YEAR 3</b>	<b>YEAR 4</b>	<b>YEAR 5</b>	<b>YEAR 6</b>	<b>YEAR 7</b>
Monthly Salary	2.000,00 €	2.000,00 €	2.020,00 €	2.040,20 €	2.060,60 €	2.081,21 €	2.102,02 €	2.123,04 €
Food allowance	-	-	-	-	-	-	-	-
Withholding tax (annual)	-	2.800,00 €	2.828,00 €	2.856,28 €	2.884,84 €	2.913,69 €	2.942,83 €	2.972,26 €
SS paid by workers	-	3.080,00 €	3.110,80 €	3.141,91 €	3.173,33 €	3.205,06 €	3.237,11 €	3.269,48 €
Gross annual income	-	28.000,00 €	28.280,00 €	28.562,80 €	28.848,43 €	29.136,91 €	29.428,28 €	29.722,56 €
<b>Annual net income</b>	-	<b>22.120,00 €</b>	<b>22.341,20 €</b>	<b>22.564,61 €</b>	<b>22.790,26 €</b>	<b>23.018,16 €</b>	<b>23.248,34 €</b>	<b>23.480,83 €</b>

It was established a salary of 1000 euros per month for me and for my partner.

**Annex XXVI - Number of Collaborators**

	<b>Number of Colaborators</b>								
	<b>Monthly Salary</b>	<b>YEAR 0</b>	<b>YEAR 1</b>	<b>YEAR 2</b>	<b>YEAR 3</b>	<b>YEAR 4</b>	<b>YEAR 5</b>	<b>YEAR 6</b>	<b>YEAR 7</b>
Comercial Manager	1.000,00 €	1	1	1	1	1	1	1	1
Operational Manager	1.000,00 €	1	1	1	1	1	1	1	1

The number of collaborators is two: me and my partner.

BUSINESS PLAN FOR AN INNOVATIVE TUTORING AND STUDY CENTER

**Annex XXVII - Other Services/Cafe**

<b>Other Services - Cafe</b>	<b>2011</b>	<b>2012</b>	<b>2013</b>	<b>2014</b>	<b>2015</b>	<b>2016</b>	<b>2017</b>	<b>2018</b>
Cafe costs (no VAT)	25	25,63	26,27	26,92	27,60	28,29	28,99	29,72
€/day	104	312	312	312	312	312	312	312
Annual Costs (no VAT)	2.600,00 €	7.995,00 €	8.194,88 €	8.399,75 €	8.609,74 €	8.824,98 €	9.045,61 €	9.271,75 €
Annual Costs (with VAT)	3.198,00 €	9.833,85 €	10.079,70 €	10.331,69 €	10.589,98 €	10.854,73 €	11.126,10 €	11.404,25 €

The cost of the café was calculated based on the of a friend (the same that was used to calculated the costs in Energy and Fluids).

**Annex XXVIII - Map of VAT**

<b>VAT'S Map</b>	<b>Year 0</b>	<b>Year 1</b>	<b>Year 2</b>	<b>Year 3</b>	<b>Year 4</b>	<b>Year 5</b>	<b>Year 6</b>	<b>Year 7</b>
VAT - deductible								
Total VAT deductible	10.168,98€	2.462,50 €	2.523,71 €	2.586,45 €	2.650,76 €	2.716,68 €	2.784,25 €	2.853,50 €
VAT – liquidated								
Provision of Service	5.185,10 €	20.668,38 €	21.790,37€	22.335,13€	26.709,10 €	27.376,82 €	28.061,24 €	28.762,77 €
Cafe	1.361,30 €	4.186,00 €	4.290,65 €	4.397,92 €	4.507,86 €	4.620,56 €	4.736,07 €	4.854,48 €
Total VAT Liquidated	6.546,40 €	24.854,38 €	26.081,02€	26.733,05€	31.216,96 €	31.997,38 €	32.797,32 €	33.617,25 €
VAT to pay	4.083,90 €	22.330,66 €	23.494,57€	24.082,29€	28.500,28 €	29.213,14 €	29.943,81 €	33.617,25 €

It was considered for the VAT a tax of 23%.

BUSINESS PLAN FOR AN INNOVATIVE TUTORING AND STUDY CENTER

**Annex XXIX - Social Security Map**

<b>Social Security Map</b>	<b>Year 0</b>	<b>Year 1</b>	<b>Year 2</b>	<b>Year 3</b>	<b>Year 4</b>	<b>Year 5</b>	<b>Year 6</b>	<b>Year 7</b>
On account of SP	2.375,00 €	6.650,00 €	6.829,55 €	7.013,95 €	7.203,32 €	7.397,81 €	7.597,56 €	7.802,69 €
On account of a worker	3.080,00 €	3.163,16 €	3.248,57 €	3.336,28 €	3.426,36 €	3.518,87 €	3.613,88 €	-
<b>TOTAL</b>	<b>5.455,00 €</b>	<b>9.813,16 €</b>	<b>10.078,12€</b>	<b>10.350,22€</b>	<b>10.629,68 €</b>	<b>10.916,68 €</b>	<b>11.211,43 €</b>	<b>7.802,69 €</b>

It was considered for the Social Security a tax of 23,75%.

**Annex XXX- IRS Map**

<b>IRS Map</b>	<b>Year 0</b>	<b>Year 1</b>	<b>Year 2</b>	<b>Year 3</b>	<b>Year 4</b>	<b>Year 5</b>	<b>Year 6</b>	<b>Year 7</b>
Retained IRS		1.000,00 €	2.800,00 €	2.875,60 €	2.953,24 €	3.032,98 €	3.114,87 €	3.198,97 €

It was considered for the IRS a tax of 25%.