



# Addis Ababa University

## CNCS

**Department:** *Computer Science*

**Batch:** *3<sup>rd</sup> year Section 02*

**Business Plan**

**Business: Code For All (C4A) Academy**

### Group members

1. Yeabesera Derese
2. Yeabsira Nigusse
3. Michael Shimeles
4. Tewodros Nibret
5. Natinael Getachew
6. Nebiyu Tefera
7. Sabona Terefe
8. Seblework Wedalo

### Id

UGR/0012/13  
UGR/5986/13  
UGR/6342/13  
UGR/3502/13  
UGR/2269/13  
UGR/1425/13  
UGR/2309/13  
UGR/5473/13

Submitted to: Mrs. [Amrot]  
Submission date: May 18, 2023

## Table of Contents

|                                        |           |
|----------------------------------------|-----------|
| <b>1. Executive Summary.....</b>       | <b>3</b>  |
| <b>2. The Business.....</b>            | <b>4</b>  |
| <b>3. Funding Requirement.....</b>     | <b>5</b>  |
| <b>4. The Product and Service.....</b> | <b>6</b>  |
| <b>5. The Plan.....</b>                | <b>8</b>  |
| 1. Marketing Plan.....                 | 8         |
| 2. Operational Plan.....               | 11        |
| 3. Organizational Plan.....            | 14        |
| 4. Financial Plan.....                 | 16        |
| <b>6. Critical Risks.....</b>          | <b>19</b> |
| <b>7. Exit Strategy.....</b>           | <b>20</b> |

## 1. Executive Summary

Code for All (C4A) Academy is a partnership-based software engineering school established among 8 people, that offers comprehensive training in the latest software development technologies. Our mission is to equip aspiring software engineers with the skills they need to succeed in the technology industry. We provide a supportive learning environment, hands-on experience, and real-world projects to prepare students for software engineering challenges. Additionally, we offer software development training services to businesses too.

We understand the challenges of balancing busy schedules, and that's why we offer flexible scheduling options. Students have the freedom to learn at their own pace and can access our platform anytime, from anywhere. Our online and offline learning resources provide the flexibility and convenience that modern learners demand. To enhance learning engagement and application, we employ interactive education methods. Our website and classrooms offer a range of tools, including simulations, virtual labs, and game-based learning experiences. Students can participate in online and offline coding lessons, working alongside our experienced teachers to build real-life software projects. This hands-on approach facilitates active learning and provides opportunities for immediate clarification and communication with instructors.

In addition to our individual learning programs, we offer specific skill set certification courses. These courses are customized for employees of partner companies who seek to upgrade their skills and match the evolving requirements of their organizations. We provide on-site training at the partner company's workplace or offer online and offline lessons in our classrooms. Our strong partnerships with these companies also enable us to connect our students with job opportunities upon completion of their training.

Marketing efforts include online promotion through social media platforms and online advertising, as well as offline promotion through local events and partnerships with businesses. Our revenue streams primarily come from tuition fees, corporate training programs, online programs, and continuing education certification courses.

We prioritize quality control, provide state-of-the-art facilities, and establish strategic partnerships. Our management team ensures smooth operations and employee engagement. As a result, our team of expert educators consists of highly educated and skilled teachers who are specialists in various aspects of software development. They bring their industry expertise and passion for teaching to guide and mentor students in the fastest and most efficient ways to learn software development skills. Students can attend live lecture sessions in our physical location or

access them through live streaming or recorded videos, ensuring flexibility in their learning experience.

To bring our vision to life, we require a total funding amount of 5 million ETB. We plan to secure a loan of 4 million ETB from a bank using one of our partners' houses as collateral, which will be repaid over a period of 2 years at an interest rate of 8.5%. The remaining 1,000,000 ETB will be contributed by the eight partners, resulting in a debt equity ratio of 4. This will be spent on salaries, rent, equipment, technology, marketing, utilities, insurance and professional fees. Our monthly Gross profit is estimated at 690,000 ETB, with net profit of 480,000 ETB after deducting taxes.

Over All, Code for All Academy is dedicated to providing high-quality training and bridging the gap between education and employment in the technology industry.

## **2. The Business**

Code for all (C4A) Academy is a partnership-based software engineering school between 8 people that provides short and long-term training in the latest software development technologies. Our mission is to help aspiring software engineers and students gain the skills and knowledge they need to succeed in the ever-evolving technology industry.

Our curriculum is designed to prepare students for real-world problem-solving in software engineering. Our courses cover topics such as basic programming languages, web development, mobile application development, AI, Cyber security, and software related project management.

In addition to our training programs, Code for all Academy also offers software development training services to companies. We work with businesses and organizations to give custom training for their employees that meet their unique needs. Our students have the opportunity to work for these companies enabling them to participate on real-world projects, gaining hands-on experience and building their portfolios if they are found qualified.

Code for all Academy will have a strategic location in Addis Ababa thus it is easily accessible by our customers. We also provide online access to those who are located outside of the city. Our facility is equipped with modern technology, including computer labs and collaborative workspaces. We provide most of our teaching through interactive sessions, we also have a

method for tracking personal progress of our students to give them tasks and lessons that are specific to their needs.

We are committed to providing an inclusive and supportive learning environment where all students can thrive. Our instructors are experienced professionals who are dedicated to helping students achieve their goals.

At Code for all Academy, we believe that education is the key to success in the technology industry and that everyone has a unique way of learning. Whether students are looking to launch a new career or advance their skills, we look forward to helping them achieve their goals.

### **3. Funding Requirement**

To lay the foundation of our company, we need money for the following minimum costs to be met.

#### *Fixed costs:*

|                                       |             |
|---------------------------------------|-------------|
| Equipment and furniture               | 100,000 ETB |
| Computers and other learning material | 400,000 ETB |
| Marketing and advertising             | 250,000 ETB |
| Total fixed costs                     | 750,000 ETB |

#### *Working costs:*

|                                   |                       |
|-----------------------------------|-----------------------|
| Facility rent and utilities:      | 60,000 ETB per month  |
| Employee salaries:                | 250,000 ETB per month |
| Technology and software licenses: | 50,000 per month      |
| Marketing:                        | 50,000 ETB            |
| Total working costs:              | 460,000 per month     |

Therefore to set up the company and get it to a stage where it can support itself, we need a total of 6 million ETB. We are planning to get a loan of 4 million ETB from a bank to be paid in under 2 years with an interest rate of 8.5% using one or the partners house as collateral. We are planning to cover the rest 1,000,000 ETB from us (the 8 partners) each contributing an equal share of 125,000 ETB each. This results in a debt equity ratio of 4.

We are planning to use this fund for the following purposes:

- a. *Staffing*: We are planning on requiring around 8 experienced software engineers both for the online and offline classes we are going to use. We are planning to reduce the cost of managerial roles by choosing two partners to work as managers of the company.
- b. *Facilities and utilities*: We need to rent suitable office spaces for classrooms and administrative offices. We also need a reliable internet connection which is our other cost.
- c. *Equipment and Supplies*: Purchasing and maintaining electronics such as Computers, Cameras, Other networking devices and paid subscription for AI services and other supplementary softwares which are key tools for programming and internet connections.
- d. *Marketing and Advertising*: for building brand awareness and promoting the software development school in the local community and online. We also plan on developing a website ourselves to minimize further cost however there will be some hosting and domain name costs.
- e. *Operating Expenses*: day-to-day expenses such as utilities, internet, and office supplies.

#### **4. The Product and Service**

Code for all offers students a special and efficient way to learn and develop their coding skills in a personalized and practical way. With a focus on popular industries including Web development, Mobile application development, Machine learning and AI, Cybersecurity and software specific project management, our platform provides a range of courses with a range of qualifications starting from certificate to degree acknowledgement.

Students from all around the world can access a variety of our products and services through our website, which offers high-quality instruction and courses on how to master the specific field of software development they want to master. These products and services consist of:

1. *Plans for personalized coding practice*: We provide individualized learning programs for each student since we think that every learner processes information differently. Our system uses the latest algorithms to analyze learning process data to determine a student's strengths and weaknesses, and then develops personalized projects to assist them improve their software development skills. We believe that the best way to learn software development is to practice which is why this is our primary focus.
2. *Flexible scheduling*: Flexible scheduling is a feature of our platform since we recognize that students have hectic schedules and want to relieve their stress. Students have the

option of learning at their own speed and can use the platform at any time they want and from any location.

3. *Expert educators:* We have a group of highly educated and skilled teachers who are experts within their respective aspects of software development. These teachers are qualified in their respective fields making them the perfect candidate for guiding new learners on the fastest way to learn the respective software development skill whether web development, mobile development or any other field of their interest. They will provide lecture sessions which will be conducted in our physical location but which will be both live streamed and recorded for students to provide the flexibility of them attending either physically, virtually or watch the session after they have missed the original session.
4. *Interactive education methods:* We provide a number of interactive sessions and platforms for learning on our website and also classrooms to enhance and increase the pace of learning. These tools make learning engaging and applicable by using simulations, virtual labs and game-based learning experiences. We also provide online and offline coding lessons with our experienced teachers through which students will have the opportunity to code along with our teachers in building real life softwares while they can still ask and communicate with the instructor for any clarification along the process.
5. *Specific skill set certification:* We also provide specific lessons for employees of a company by the choice of the company so that they can choose what specific skills they want to teach their employees so that they can upgrade their skills and match with the changed requirements of the company. This service can be given online, offline, in our classrooms or on site (in the working place of the company) if they have the necessary equipment to do so. We also work with these partner companies to land jobs for our students.
6. *Downloadable courses:* We also provide downloadable short term courses that users can buy and see to get their desired software development skills. These courses will be prepared by our instructors within their respective fields of study which contain several short videos, interactive assignments and projects with which they can build up their portfolio. It will also provide a certification once they are done with it.

There are several other colleges and online learning platforms in Ethiopia and Africa such as ALX and A2SV that provide software development classes. But their schedules aren't flexible enough so that it can accommodate a variety of learners, they try to provide a single academic calendar through which all students must learn and also aren't interactive enough or they are extremely interactive which could be overwhelming for beginner learners. They also don't

provide enough mentoring and personal guidance to new learners. Our service is unique as it is targeting their weakness and the several services they lack. We also have different strengths of our competitors combined such as interactive sessions, remote/online sessions, assignments and projects to build up learners portfolio, certification and more. In addition to these, our service is unique as it not only works with students, but it also works with companies to both land a job locally and also improve the skills of an already working employee.

## 5. The Plan

### 1. Marketing Plan

The goal of our marketing plan is to generate awareness about our code for all academies and attract potential students. Our target audience will be individuals who are interested in pursuing a career in programming and want to gain specific skills that are currently in demand in the job market. Our marketing plan will focus on both online and offline channels to reach our target audience which are individuals who are interested in pursuing a career in programming, but lack the necessary skills and knowledge to land a job. They could be recent graduates or individuals who are looking to switch careers. Our secondary target audience will be companies and recruiters who are looking to hire skilled programmers or improve the skills of the ones they already have.

- a. ***Product and Service:*** Our training program will focus on specific fields of software engineering, namely web development, mobile app development, machine learning and Cybersecurity. We will offer both short term and long term courses that are designed to equip students with the necessary skills to land a job in their chosen field. Our courses will be taught by industry professionals and will be updated regularly to keep up with the latest trends and technologies. We will be teaching the students and also give online sessions as well as several video courses that they can purchase and watch offline. We will have several resources available on our platforms which will help these students achieve their goals such as assistive AI technology, interactive games that teach several topics in their respective field of study, personal progress tracking system that will adapt to their specific need and give them custom project through which they can improve their weaknesses and provide a certification that can serve as a qualification of the skills they acquired in their respective fields.
- b. ***Price:*** We will offer our courses at a competitive price point, while ensuring that we provide high-quality training and resources. We charge students 1500 ETB per

course where a course could take around 35 to 50 hours of lecture in total. They will get access to all the video and practical materials that are related to this course after enrolling in the course. Students can take or enroll in however many courses they want to. We know this can be a little expensive for students or unemployed people, which is why we have several flexible payment methods. These are:-

1. *Monthly Installments:* Students can choose to pay for the course in monthly installments over the duration of the training program. They can pay a minimum of 10% of the total enrolled courses price to get the certificate after a 10 months of period. Students however are free to complete their full payments if they can do so. This helps to alleviate the upfront financial burden and allows students to manage their expenses more effectively.
2. *Pay-As-You-Go:* Students will have the option to pay for each course module individually, allowing them to progress at their own pace and pay for the modules as they complete them. This provides flexibility and affordability for those who may want to spread out their payments.
3. *Scholarship or Grant Opportunities:* We will explore scholarship or grant programs to assist deserving students who may face financial constraints. These programs will be designed to support students with exceptional potential and a strong commitment to their career development. We will work with our partner companies in the promise of supplying skilled manpower in return for them investing in the price of the course of the students so that they can learn.
4. *Lump-Sum Discount:* Provide a 20 % discounted price for students who choose to pay the full course fee upfront. This incentivizes students to make a one-time payment and allows them to save on the overall cost of the training.
5. *Deferred Payment:* Offer a deferred payment plan where students can delay 50% of the payment until after completing the course. This can help ease the financial burden during the training period and give students the opportunity to start earning before making the full payment.
6. *Income-Based Repayment:* Implement an income-based repayment option where students pay 15% percentage of their income once they secure a job in the field. This payment structure aligns with the students' financial

capabilities and ensures that they can manage their payments based on their income levels.

7. *Customized Payment Schedules:* Provide the flexibility to customize payment schedules based on individual student needs. This can include weekly, bi-weekly, or monthly payment options, allowing students to choose a schedule that aligns with their income or financial commitments. They can also switch between the several payment methods mentioned before as their needs change.
- c. *Place:* Our training program will be conducted both online and offline. Our offline classes will be held in our physical location around Mexico or 4 kilo, which will be our main headquarters, while our online courses will be available to students from all over the world through our website and youtube channels. We will also partner with local businesses and organizations to offer our courses in their premises. They can get our courses to aid their employees in upgrading their skills so that they can profit from them more.
- d. *Promotion:* We understand that there is a competition in the field of education which is why we have dedicated a significant amount of the budget in the promotions. We believe that our potential customers are the youth which is why our targeted promotion is focused on social media and online advertisement. Our promotional activities will focus on both online and offline channels.

*Online:*

- a. *Social Media:* We will create social media accounts on platforms such as Facebook, Twitter, LinkedIn, Telegram and Instagram to promote our training program. We will post regular updates about our courses, share success stories of our students, and engage with our followers. We will also create a youtube channel through which we offer a portion of our courses as a taste of what our program looks like after which students can register for the full course using our website or other contact information.
- b. *Search Engine Optimization (SEO):* We will optimize our website for search engines to increase our online visibility and attract potential students. This will involve creating high-quality content, optimizing our website structure, and building high-quality backlinks.

- c. *Online Advertising:* We will run online advertising campaigns on platforms such as Google Ads, Facebook Ads, and LinkedIn Ads and YouTube Ads to reach our target audience.

*Offline:*

- a. *Events:* We will participate in local events and conferences to promote our training program and network with potential students and recruiters. We believe these kinds of events will get us in touch with motivated and passionate students about software engineering.
- b. *Partnership:* We will partner with local businesses and organizations to offer our courses in their premises. This will help us reach a wider audience and build valuable partnerships.

## 2. Operational Plan

### A. Business Structure:

Our business will operate as a partnership company between 8 people, with a dedicated team of professionals overseeing the day-to-day operations.

### B. Production or Service Delivery Process:

Our training courses will be delivered through a combination of online and offline methods to reach a diverse range of students. The process will involve the following steps:

- i. *Course Development:* Our experienced instructors will design and develop comprehensive course materials, including lectures, exercises, projects, and assessments. The content will be regularly updated to incorporate the latest industry trends and technologies. We (partners) will evaluate each course before it becomes available for the students. We will ,however, prepare a curriculum evaluation and designing team as the business grows.
- ii. *Course Enrollment:* Students will have the option to enroll in their desired courses through our website or by visiting our physical location. We will provide a user-friendly online registration system to streamline the enrollment process and capture essential student information.

- iii. *Training Delivery:* The courses will be delivered through a blend of live instructor-led sessions, pre-recorded lectures, interactive discussions, and hands-on practical exercises. Students will have access to a learning management system (LMS) where they can access course materials, submit assignments, and participate in discussions.
- iv. *Student Support:* We will establish a support system to assist students throughout their learning journey. This will include regular check-ins, personalized guidance supported by technology, and technical support to ensure a smooth and enriching learning experience.

### C. Quality Control

Maintaining high-quality training will be a top priority for our business. To ensure quality control, we will implement the following measures:

- i. *Instructor Selection:* We will carefully select instructors who have extensive industry experience, expertise in their respective fields, and a passion for teaching. They will undergo a thorough screening process and receive regular professional development to enhance their instructional abilities.
- ii. *Course Evaluation:* We will regularly evaluate our courses through student feedback surveys and performance assessments. This feedback will be used to identify areas of improvement and make necessary updates to our course materials and teaching methodologies.
- iii. *Continuous Improvement:* Our team will actively monitor industry trends and technological advancements to ensure that our courses remain up-to-date and relevant. We will conduct regular reviews and assessments to refine our curriculum and incorporate emerging best practices.

### D. *Facilities and Equipment:*

Our physical location will be equipped with state-of-the-art facilities to facilitate effective learning and engagement. This will include:

- i. *Classroom Setup:* We will have dedicated classrooms with comfortable seating arrangements, whiteboards, projectors, and high-speed internet

connectivity. The classrooms will be designed to foster a collaborative learning environment.

- ii. *Computer Labs:* We will have fully equipped computer labs with the latest software and tools necessary for hands-on practical exercises and coding activities. Each student will have access to their own workstation to ensure an immersive learning experience.
- iii. *Online Infrastructure:* We will invest in robust online infrastructure, including a reliable learning management system, video conferencing tools, and online collaboration platforms. This will enable seamless delivery of online courses and facilitate remote learning for students.

**E. *Plant location:***

Our physical location will be strategically chosen in the Mexico or 4 Kilo area in Addis Ababa, Ethiopia. This location offers several advantages:

- i. *Proximity to Colleges:* The area is the center of the city and home to numerous colleges and educational institutions. This proximity will allow us to easily connect with potential students who are actively seeking training opportunities and looking to enhance their programming skills.
- ii. *Access to Government and Businesses:* The area is also known for housing government offices, corporate headquarters, and businesses. This provides opportunities for partnerships, internships, and collaborations, ultimately benefiting our students and expanding their career prospects.
- iii. *Stable Infrastructure:* Being located in a central area of the city, we can leverage the availability of reliable electricity and internet connectivity. This ensures uninterrupted operations and access to necessary resources, critical for delivering online courses and providing a seamless learning experience.

**F. *Suppliers and Partnerships:***

To support our operations, we will establish partnerships with reliable suppliers and organizations within the software engineering industry. This will involve:

- i. *Technology Providers:* We will partner with reputable technology providers to ensure access to the latest software, development tools, and resources required for our courses. This will enable students to work with industry-standard technologies and enhance their practical skills.

- ii. *Industry Collaborations:* We will seek collaborations with local businesses, startups, and established companies to offer internship opportunities, guest lectures, and real-world projects. These collaborations will provide our students with hands-on experience, industry exposure, and networking opportunities.

### **3. Organizational Plan**

#### ***A. Key Management Team:***

The key management team of the organization will comprise the CEO, who will be responsible for overall strategic direction and decision-making. The CEO will oversee the operations and ensure the smooth functioning of the business. And he/she will be one of the partners.

#### ***B. Roles and Responsibilities:***

- a. *CEO:* The CEO will be to provide strategic direction, make key business decisions, and oversee the overall operations of the organization. You will set the vision and mission for the business and ensure its long-term success.
- b. *Instructors:* The organization will have around 5 instructors who will play a vital role in delivering the training programs. Their responsibilities will include preparing course materials, conducting training sessions, providing guidance to students, and assessing their progress. The instructors will bring their expertise and industry experience to effectively train and mentor the students.
- c. *Administrative Staff:* Additionally, administrative staff members will be appointed from among the partners. Their roles will encompass accounting, marketing, customer service, and general administrative duties. They will support the instructors and ensure the efficient day-to-day operations of the business.
- d. *Human Resource:* They will also be responsible for managing the organization's workforce. This will include recruitment and selection of qualified instructors and administrative staff members. HR will also handle employee onboarding, benefits administration, performance management, and compliance with labor laws and regulations.

- e. *Social Media Manager*: They are responsible for creating and curating engaging content, managing social media accounts we have like linkedIn, Youtube, Telegram, Instagram and Facebook, monitoring and analyzing social media metrics, and engaging with the online community. The social media manager collaborates with the marketing team to ensure consistent brand messaging and maintains a strong online presence across various platforms. They stay updated on social media trends and industry best practices, identify opportunities for growth and engagement, and manage social media advertising campaigns.

Clear lines of communication and accountability will be established within the organization to foster effective collaboration, decision-making, and workflow management. Regular meetings and performance evaluations will be conducted to ensure that everyone is aligned with the organization's goals. Our organization adheres to laws governing minimum wage, working hours, overtime, employee benefits, discrimination and harassment prevention, health and safety standards, and any other applicable labor laws.

The organization will prioritize creating a positive work environment that promotes teamwork, employee engagement, and professional development. HR initiatives will focus on fostering a culture of continuous learning, providing training opportunities, and recognizing and rewarding employee contributions.

### ***C. Human Resources and qualification:***

The key roles within the organization will include a CEO, around 5 instructors, and administrative staff of 3 people and Human Resource managers of 3 people and 1 social media manager from among the partners.

- a. *CEO*: The CEO should possess strong leadership and strategic management skills. They should have excellent communication and interpersonal skills, as well as the ability to build and maintain relationships with key stakeholders. A strong educational background in business, management, or a related field is often preferred. The CEO will be chosen among the partners which means that he/she will be sharing from the profit of the company.
- b. *Instructors*: They should have a solid background in software engineering or related fields, with relevant industry experience. A degree in computer science or a related discipline is typically preferred. Additionally, they should possess strong teaching and communication skills to effectively convey technical concepts to students. We will be paying around 50,000 ETB for the instructors.

- c. *Administrative staff*: administrative staff members should have strong organizational and multitasking abilities to effectively handle various administrative tasks. They should have excellent communication and interpersonal skills to interact with students, instructors, and other stakeholders. Since these people are chosen from the partners we don't need to pay any wages as they share from the company's profit.

## 4. Financial Plan

### A. *Start Up Cost*

We estimate the initial investment needed to start the school that involves expenses that includes equipment and supplies costs, legal fees, staffing costs, marketing and advertising costs and facility costs.

Start up expenses:

|                                                               |             |
|---------------------------------------------------------------|-------------|
| Legal expenses                                                | 15,000 ETB  |
| Promotional Material and advertisement                        | 250,000 ETB |
| Rent                                                          | 40,000 ETB  |
| Permits and licenses                                          | 10,000 ETB  |
| Computers                                                     | 250,000 ETB |
| Cameras for online tutorials                                  | 100,000 ETB |
| Office supplies and furnitures                                | 80,000 ETB  |
| Learning materials                                            | 50,000 ETB  |
| Device required for tutoring                                  | 20,000 ETB  |
| Networking appliances (i.e.<br>routers, switches, LAN cables) | 35,000 ETB  |
| Total start up cost                                           | 800,000 ETB |

### B. *Operating expenses*

The following is a summarization of the operating costs estimates needed to run the company after the start up.

Operating Expenses:

|                         |             |
|-------------------------|-------------|
| Salaries of instructors | 250,000 ETB |
| Rent                    | 50,000 ETB  |

|                                                                    |         |     |
|--------------------------------------------------------------------|---------|-----|
| Utility Payments(i.e. Internet,<br>Electricity, Web hosting)       | 40,000  | ETB |
| Software licensing and subscription                                | 20,000  | ETB |
| Advertising on social media(i.e.<br>Youtube ads, Telegram ads ...) | 50,000  | ETB |
| Maintenance and upgrading costs                                    | 50,000  | ETB |
| Professional Fees                                                  | 30,000  | ETB |
| Total expenses                                                     | 490,000 | ETB |

### **C. Revenue streams**

- a. Tuition Fees: Our software development school charges fees from students for courses that provide skills and knowledge Web development, Mobile application development, Machine learning and AI, Cybersecurity and software specific project management. Therefore, revenue will be collected based on the amount of courses students will take and related expenses.
- b. Corporate Training: This software development school can provide training services to companies as well. Corporations may want to train their employees in software development to help enhance the skills of their employees and improve outputs. It could also be customized to the company's specific needs.
- c. Online programs: All of our online resources are accessible after a student has subscribed to our service so there will be revenue collected through online programs according to the amount of courses that will be given.
- d. Sponsored Programs: partner companies will be offered the opportunity to invest in the skills of our most outstanding students and be given the opportunity to employ them as they become fully qualified.

### **D. Income statement**

Monthly Income statement:

Revenue:

|                              |         |     |
|------------------------------|---------|-----|
| Course Fees:                 | 500,000 | ETB |
| Corporate Training Fees:     | 400,000 | ETB |
| Online course material Fees: | 200,000 | ETB |
| Certification fees:          | 80,000  | ETB |

|                                 |               |
|---------------------------------|---------------|
| Total revenue:                  | 1,180,000 ETB |
| Operating Cost for the service: | 490,000 ETB   |

|                                            |                                     |
|--------------------------------------------|-------------------------------------|
| Gross Profit (Total revenue - Total cost): | $1,180,000 - 490,000 = 690,000$ ETB |
| Net income (Gross profit - income taxes):  | $690,000 - 207,000 = 480,000$ ETB   |

### ***E. Balance sheet***

Estimated balance sheet of our business plan is:-

Code for All(C4A) company  
Balance sheet

#### **ASSETS:**

|                                      |               |
|--------------------------------------|---------------|
| Cash                                 | 6,977,000 ETB |
| Computers:                           | 500,000 ETB   |
| Cameras for online tutorials:        | 200,000 ETB   |
| Other video creating tools:          | 100,000 ETB   |
| Office supplies and furnitures:      | 100,000 ETB   |
| Networking Devices                   | 80,000 ETB    |
| Learning materials                   | 50,000 ETB    |
| Other devices required for tutoring: | 30,000 ETB    |
| Total asset value                    | 1,600,000 ETB |

#### **LIABILITIES:**

|                       |               |
|-----------------------|---------------|
| Bank loan repayment   | 4,000,000 ETB |
| Employee salary       | 250,000 ETB   |
| Other operating Costs | 240,000 ETB   |
| Tax payment           | 207,000 ETB   |
| Total liabilities     | 4,697,000 ETB |

#### **EQUITY:**

|                                                  |               |
|--------------------------------------------------|---------------|
| Owners' Investment                               | 1,000,000 ETB |
| Retained Earnings (profits kept by the company): | 2,880,000 ETB |
| Total equity                                     | 3,880,000 ETB |

This balance sheet assumes that the software development school has 6,977,000 ETB in cash, 1,600,000 ETB worth of equipment. The liabilities include 697,000 ETB in accounts payable, 4,000,000 in long-term loans.

## 6. Critical Risks

- a. *Market saturation*: The market for software engineering schools may already be saturated, with many established institutions offering similar programs. This could make it difficult to attract students and compete with existing schools.
- b. *Quality of faculty*: The quality of faculty members is crucial for the success of any educational institution. Hiring and retaining qualified instructors with extensive experience in the field may be challenging.
- c. *Keeping up with technological advancements*: The field of software engineering is continually evolving, and it's essential to keep up with the latest technologies and trends. Failure to do so could result in outdated or irrelevant curriculum, which may negatively impact the school's reputation.
- d. *High tuition costs*: The cost of tuition can be a significant barrier for students, especially those from lower-income backgrounds. Offering financial aid and scholarship programs may be necessary to attract and retain students.
- e. *Limited job prospects*: Graduates may struggle to find employment in the competitive software engineering job market, which could negatively impact the school's reputation and enrollment numbers.
- f. *Intense competition for qualified instructors*: The demand for experienced and skilled software engineering professionals is high, which creates fierce competition among educational institutions to attract and retain qualified instructors. The limited pool of qualified teachers in the market could make it challenging to recruit and retain top talent, potentially affecting the quality of education and the school's reputation..
- g. *Adapting to online learning trends*: With the increasing popularity of online learning platforms and the COVID-19 pandemic's impact on traditional classroom settings, there is a growing demand for online software engineering courses. Adapting to this shift and developing effective online teaching methodologies may present challenges, such as ensuring student engagement, providing technical support, and maintaining the same level of quality education as in-person programs. Failing to successfully transition to online learning could result in reduced enrollment and competitiveness in the market.

It is crucial to address these additional risks in your business plan and develop strategies to mitigate and overcome them. By anticipating and proactively addressing these challenges, you can increase the likelihood of success for your software engineering school.

## **7. Exit Strategy**

For our business, coding school, what we intend is to make as much effort as possible to achieve our dream and reach many unreached people across the country. However, as an entrepreneur it's vital to think of its exit strategies. We categorized our business strategies as the following:

### ***1. Potential Exit Due to Inability to Meet Operational Needs***

Our company is facing the possibility of exiting the business due to an inability to meet its basic operational needs. This potential exit stems from critical risks encountered in the past, including:

*Shortage of Funding:* Insufficient funding has resulted in our company's inability to pay employees and hire adequately skilled personnel. As a consequence, the quality of service delivery to our customers has been compromised.

*Business Saturation or Intense Competition:* The saturation of the software school market and intense competition within the industry have hindered our ability to attract a sufficient customer base. This has had a direct impact on our revenue and overall viability.

*Rapid Advancement of Technology:* The rapid advancement of technology has presented challenges in meeting evolving customer requirements effectively. Our company has struggled to keep pace with the latest advancements, potentially leading to dissatisfaction among our target audience.

In any of the above conditions, our company will be forced to shut down and declare bankruptcy. We will sell the cashable assets and pay our debts using our capital and the assets. The loss or profit if any will be equally divided among the partners.

### ***2. Merger & Acquisition***

The acquisition plan can be implemented when we are totally unable to accomplish our mission due to many reasons and there is a better software company that can uphold our values and principles.

The business might be subject to merging when we come across some other business that has the same plans and dream as ours; the acquiring company must already have skills and can cope with the business without ruining it; therefore if we think that we could be successful by merging with this company we might consider it.

We believe this merger will result in selling the company or transferring ownership to the merger company will result in us selling the company for some amount of money through which all of us will be dividing equal share of the profit from the selling.

### ***3. Selling of business to Managers/Employees***

This strategy is also a way that might work better if we could have developed potential managers and employees that can replace our positions and continue the work as it was.

As these people have worked with the company, they know the work trends and manage and handle the business. Therefore, this exit strategy could lead to a fine business legacy and a smoother transfer. Under this, the selling norms might be easy and convenient for both parties. After selling the company the money will be divided among the partners equally.