



# NEXT LEVEL CONSTRUCTION

# Business Plan

2021

 Next Level Construction

CONFIDENTIAL

# Table of Contents

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<b>Executive Summary</b> .....	2
Mission Statement .....	2
Management and Personnel .....	2
Marketing .....	2
Financing .....	2
<b>Mission Statement, Goals and Objectives</b> .....	3
Business Overview .....	3
Mission Statement .....	3
Goals & Objectives .....	4
Goal 1 .....	4
Goal 2 .....	4
<b>Market Analysis</b> .....	5
Industry Analysis .....	5
Market Trends .....	6
<b>Marketing Plan</b> .....	7
Description of Product and Services .....	7
Features and Benefits .....	7
Quality .....	7
Location .....	7
Price/Quality Relationship .....	7
Promotional Strategies .....	8
<b>Funding</b> .....	9
Funding Goal .....	9
Terms .....	9
Why Invest? / Conclusion .....	9

# Executive Summary

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## Mission Statement

Next Level Construction aim to increase access to high quality construction services in Zambia particularly the Lusaka area.

The company goals for the next three years include:

- Develop small and medium scale projects both with the public and private sector.
- Implementing a business plan to ensure long-term success.
- Working with local subcontractors to improve their skills and capacity.

## Management and Personnel

The owners are seasoned business people with an interest in their community. They each have 15 years or more in their various respected specialisms. The combination of the three owners has the capacity to take a project from a blank sheet through to completed and decorated/furnished as required. In addition they will work with other local companies on a sub-contracting arrangement to improve the skills and allow larger projects to be developed/contracted for.

## Marketing

We will work on a range of projects both public and private sector. Most will be new build projects and be from individual dwelling houses through to small schemes. We would also be able to do commercial buildings both office and industrial buildings.

We will register with both local and central government to be available to bid for work in the public sector.

We will utilise social media to promote our services and work in conjunction with complimentary companies to increase our reach and services.

## Financing

We require \$157,000 to start the business. We have \$25,000 available to invest and an investment of \$157,000 will buy 20-50% of the company.

The split is 68% of the investment going on equipment with \$50,000 going towards ongoing revenue costs until we start to complete projects and receive payment.

# Mission Statement, Goals and Objectives

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## Business Overview

Next Level Construction will provide a high quality design/build/interior package for customers. We can also break it down to provide any of the elements in combination.

Next Level Construction is a co-operation of building and design professionals aiming to offer the highest level of service.

- SHANE LEONCE - CONSTRUCTION MANAGER
- RAYMOND MUHAMMAD - ARCHITECT
- NATASHA BARNES - INTERIOR DESIGN

In addition to working on projects we can manage within our own company capacity we also intend to bid on larger contracts. In Zambia there are a lot of foreign owned construction companies, they employ local tradespeople as well as bringing high value specialists to specific projects. Our aim is to build the capacity of local companies so either individually or collectively they can undertake larger projects, keeping more of the money in the local economy.

We can then increase skills, capacity and have construction and ancillary services as a viable career in locally owned and managed companies.

## Mission Statement

Next Level Construction strives to build quality affordable buildings by providing an honest, fair working relationship with subcontractors, new homeowners, and the public sector. We also aim to increase the skills and capacity of local construction companies.

## Goals & Objectives

### Goal 1

**Next Level Construction will develop long-term planning and organizational structure.**

Objective	Lead person	Target Date
Develop a market package detailing standard features and benefits offered for individuals home with a pricing list of enhanced features available at the buyer's choosing.	Raymond/Shane/ Natasha	1st September 2021
Develop a standard operating procedure for new home sites.	Raymond/Shane	1st October 2021
Develop range of interior options both for residential and commercial	Natasha	1st October 2021

### Goal 2

**Develop co-operative working relations with sub-contractors and partner building companies.**

Objective	Lead person	Target Date
Contact building companies to gauge interest.	Raymond/Shane	31st January 2022
Review and shortlist interested companies.	Raymond/Shane	31st March 2022
Agree terms of reference with select companies.	Raymond/Shane	1st June 2022

# Market Analysis

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## Industry Analysis

Next Level Construction will operate in 2 main markets. Private construction, home building, industrial and office/shop/restaurant projects and bid for contracts in the public sector.

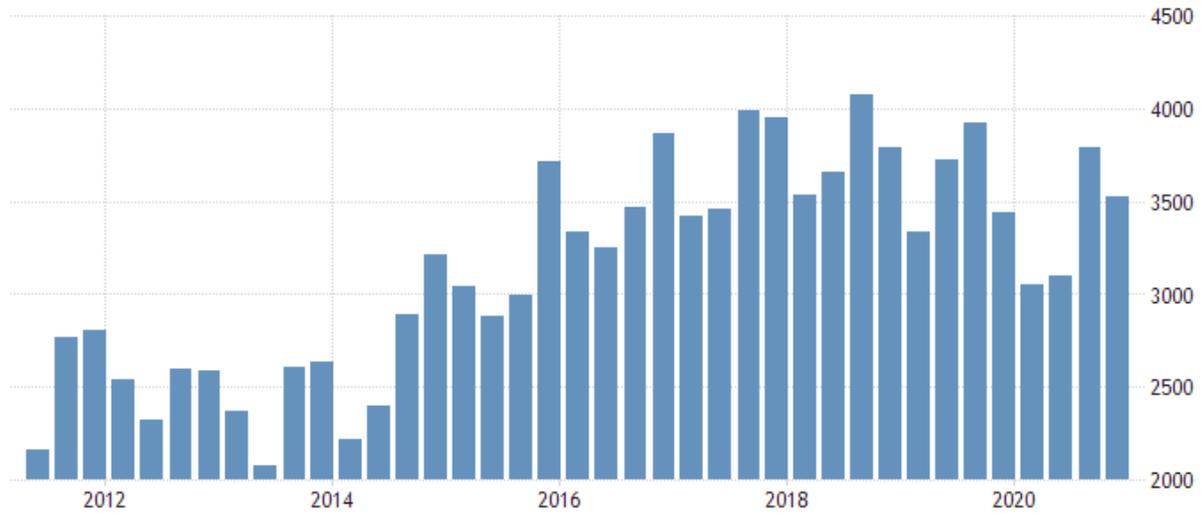
As is the case in much of Africa there has been significant investment in infrastructure and buildings. This has been driven by economic growth and its dependence on infrastructure. As countries economies have strengthened the aspirations of the residents has increased leading to more shopping centres, restaurants, bars etc to cater for peoples social and relaxation requirements.

Building and construction is the largest industrial sector in the country making up 27.5% of Zambia's GDP and the majority of direct foreign investment in the country. With an estimated backlog of a million housing units – there is a clear opportunity to support the country's long term development whilst also establishing a thriving construction business.

The result of this rapid growth is that local companies have not been able to keep pace with the growth in demand. This has led to many projects (especially larger scale) contracts being awarded to foreign owned companies. While they do employ local staff, many of the higher value specialised functions are bought in and leave once the project is completed. As well as developing a successful construction business we want to enhance the capacity so more of the highly skilled and valued work stays with local companies and staff.

## Market Trends

In Zambia in the last 10 years there has been sizeable growth in construction value. Figures below are from the Central Statistics office of Zambia showing construction value of GDP.



There is a clear trend of increasing value, the last 12 months like much of the world has been negatively impacted by Corona Virus, but is already showing signs of recovery in the 2nd half of 2020.

With the growth in the economy we expect this trend to continue in and upwards curve, offering more scope and opportunities for growth.

However we need more capacity than we will have in our own business to capitalise on this and that is why we will work with partners where appropriate

# Marketing Plan

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## Description of Product and Services

We will offer a full design and construction service. We can take the plan from blank sheet of paper to full completion including all interior design aspects.

## Features and Benefits

### Quality

Quality is provided by the craftsmanship and one-to-one customer relationship with the owners. In addition to the personal relationship, our clients will have flexibility in their fit and finish.

The quality of the finished product and the care we build with will be seen through out the project. We will ensure the finished project is move in condition, cleaned and tidy with no building residues left behind.

Quality doesn't end when the buyers move-in. We will be available for snagging any issues not picked up on inspections or become evident within the first 3 months of occupancy.

### Location

We will b based in Lusaka and we expect most of the work to be carried out our with the city and surrounding areas. We will have a secure yard for storing machinery and building equipment. This will have a small office as a base for the administrative requirements of the the company.

### Price/Quality Relationship

Quality is provided by the craftsmanship and one-to-one customer relationship with the owners. In addition to the personal relationship, the clients will have the opportunity to choose from high-quality "standard" features or enhance their home further with products of their choosing.

The quality of the finished product and the care the project was built with will be seen again at closing, the homes are professionally cleaned. The windows are washed and any paint splatter is removed. All the fixtures are cleaned and polished. The building should be left as move in condition.

## Promotional Strategies

### **Packaging and Customer Service**

At all times during the construction phase, the job site is kept tidy. Materials are neatly stacked and organized, the floors are swept, nails are picked up, and the waste kept in a container and removed weekly. The builders have a dress code that includes being clean and wearing the appropriate PPE.

### **Public Relations**

We will publicise the launch of the company, with media promotions. We will utilise social media and radio primarily. The construction sector is still relatively small so we already know many contacts so networking and industry events will be key for our promotion and recognition as a new start up.

### **Advertising**

Our advertising will be carried out through social media and local radio. We will use completed projects to highlight our work. We will attend any possible networking events especially with the public sector.

# Funding

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## Funding Goal

We aim to raise \$157,000. This will be split:

Item	Cost \$
Equipment	97,400
Operational Costs	59,600
<b>Total</b>	<b>157,000</b>

## Terms

For the above investment we would ne prepared to negotiate between 20-50% of the company depending on the investment level and terms.

## Why Invest? / Conclusion

Building and construction is the largest industrial sector in the country making up 27.5% of Zambia's GDP and the majority of direct foreign investment in the country. With an estimated backlog of a million housing units – there is a clear opportunity to support the country's long term development whilst also establishing a thriving construction business.

We will work with partner business on our 2nd goal to build the capacity of the construction sector, giving additional benefits to the economy and ensuring profits stay in country rather than siphoned out. This will in turn increase investment opportunities and help the sector grow faster.