



TAKE-OFF EDUCATION AND TRAINING INSTITUTIONS

BY

KE ZHANG

AN INDEPENDENT STUDY SUBMITTED IN PARTIAL FULFILLMENT  
OF THE REQUIREMENT FOR THE DEGREE OF MASTER OF  
BUSINESS ADMINISTRATION (INTERNATIONAL PROGRAM)

SOUTHEAST ASIA UNIVERSITY

ACADEMIC YEAR 2022

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**Independent Study Title** Take-off Education and Training Institutions  
**Author** Ke Zhang  
**Program** Master of Business Administration (International Program)  
**Advisor(s)** Asst. Prof. Xiang Xiao, Ph.D.

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### Abstract

The purpose of this study are analysis the current situation of primary and secondary schools and the analysis and forecast of the training market in Beijing, from the future development trend of primary and secondary education and training institutions, the author found a huge development space and profit space. It is proposed to set up a primary and secondary school guidance school with extracurricular training as the main goal. Create a brand, standardization, institutionalization chain and finally achieve diversified development, continuous improvement, and improvement of economic management model. Combined with the modern enterprise management theory and the requirements of the business plan, this paper first analyzes and forecasts the current situation of the training market in primary and secondary schools in Beijing. And use the PEST model and Porter's competitive strategy theory to analyze the current situation and competitive situation of the primary and secondary school education market in Beijing, and then analyze and determine the competitive advantage, market positioning and enterprise marketing strategy of tutoring in primary and secondary schools in Beijing. Finally, the countermeasures are given by calculating the relevant financial statements and internal rate of return and other investment evaluation and risk assessment. As an entrepreneur explorer, the author hopes that this business plan will not only provide a feasibility report for the author's business risk, but also provide basic data and guidance for future agents.

**Keywords:** training institutions, primary, secondary school, students

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Ke Zhang

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## Section 1

### Executive Summary

Through the author's analysis and research on the current situation of primary and secondary schools and the analysis and forecast of the training market in Beijing, from the future development trend of primary and secondary education and training institutions, the author found a huge development space and profit space. It is proposed to set up a primary and secondary school guidance school with extracurricular training as the main goal. Create a brand, standardization, institutionalization chain and finally achieve diversified development, continuous improvement and improvement of economic management model. Combined with the modern enterprise management theory and the requirements of the business plan, this paper first analyzes and forecasts the current situation of the training market in primary and secondary schools in Beijing. And use the PEST model and Porter's competitive strategy theory to analyze the current situation and competitive situation of the primary and secondary school education market in Beijing, and then analyze and determine the competitive advantage, market positioning and enterprise marketing strategy of tutoring in primary and secondary schools in Beijing. Finally, the countermeasures are given by calculating the relevant financial statements and internal rate of return and other investment evaluation and risk assessment. As an entrepreneur explorer, the author hopes that this business plan will not only provide a feasibility report for the author's business risk, but also provide basic data and guidance for future agents.

This paper briefly introduces the reasons for the entrepreneurship of the take-off education and training institutions, the background of the partners, and the strategic planning for the development of the project, as well as the concept of running a school of the institution, and then introduces the product line of the project in detail. The operation and management of the enterprise is inseparable from the efficient and United management team, so it also introduces in detail the management team and important management system of the take-off education

and training institutions.

This paper analyzes the development environment of education and training institutions, analyzes the four elements of macro environment of industry development by using PEST model, then analyzes the internal environment and competitors of take-off education and training institutions, and finally uses SWOT model to analyze the competitive advantages of education and training institutions. Although there are many disadvantages and threats in the process of development, as long as we do a good job in market segmentation analysis and select the target market. Make full use of their own advantages, overcome disadvantages and manage attentively, institutions still face many opportunities, and there is a great possibility of development and growth.

In order to set an example in the field of education and training in Beijing, the first is to improve the core competitiveness of our organization's brand: constantly optimize the quality of educational services; secondly, to create good corporate values and team culture values, which is the key to improve brand stability; finally, always maintain the ability of continuous innovation.

Through the STP strategy, this paper analyzes the take-off education and training institutions by subdividing the education and training market, selecting the target market and market positioning, and formulating detailed product strategies, price strategies, channels and promotion strategies according to these positioning, so as to promote the organization's characteristic products in a planned and step-by-step manner, and enhance the take-off education and training brand.

The efficiency of the management team, the core members of the enterprise and the quality of the management team determine the level of enterprise management. The efficient operation of the enterprise needs strong executive support, and the strong executive force needs a highly cohesive and high-quality management team. A strong force of teachers is a strong guarantee for the teaching quality of education and training institutions, so teachers of take-off education institutions have a strict education and training assessment system, and they must pass strict training and assessment before they can take up the post.

For start-up enterprises, financial risk will be the biggest risk faced by take-off education and training institutions. Through the prediction and analysis of the financial situation in the next five years, ROI=51%, can see that the profit of the education and training industry is still relatively objective, and because the initial investment in the industry is not high, the main cost of the company's operation is the teacher's remuneration, and this part of the expenditure fluctuates with the ups and downs of the enrollment situation. Therefore, the risk of the industry is relatively low. As long as the business philosophy of the organization can always maintain its original intention, adhere to the process, standardization and refinement in management, and ensure the quality of teaching, it will certainly be quickly recognized by parents and students.

## Section 2

### Company Description

The company's learning curriculum for young people is mainly around primary school curriculum, primary school curriculum, junior high school curriculum and senior high school curriculum. As well as special English and math, chemistry, and chemistry special training. Special training courses for winter and summer holidays will be set up according to the needs of the market. In the field of quality development, continuous innovation, the pursuit of excellence, in the adjustment of mentality, personal positioning, self-confidence, self-realization and other aspects, comprehensively enhance the students' personal learning ability.

The company builds a golden bridge for young people with innovative spirit, excellent training and perfect service. Through the theoretical study of the business model of education and training institutions, as well as the survey of the satisfaction of parents and students, put forward: increase value-added services, improve customer stickiness; online and offline integration of training methods; improve the training process; enhance the power of word-of-mouth communication. Based on the analysis of the current situation of the education and training market for primary and middle school students in China, the market demand and the environment for the development of training institutions, this paper evaluates the feasibility of setting up out-of-school guidance institutions for primary and secondary school students in Beijing and makes a complete business plan. to make a valuable feasibility analysis report for the establishment and development of education and training institutions.

#### **2.1 Company profile**

China's educational examination and selection system is an important policy reason for the popularity of education and training institutions. College entrance examination is

the most important examination during the period of students in our country. In the past, as long as the university selection system, which was considered by many parents and students as the only way out, was not abolished, the learning pressure of students and parents will not disappear. The development soil of education and training institutions is still fertile. Especially at present, most of the children in the post-80s and 90s generation in our country are only children, and as parents, they will put their expectations for the future on the only child to a large extent, and the children bear all the love, energy and feelings of their parents. therefore, children are "excessively demanding" by their parents from birth, and usually these excessive "requirements" cannot be achieved by the strength of their parents alone. It must also be achieved through a variety of professional education and training institutions.

It was my classmate's idea to establish a "take-off education and training institution". She has been engaged in education and training in Beijing for many years and has rich teaching experience and unique teaching methods. Through a number of education and training institutions in Beijing, she learned that at present, most of the education and training institutions in the Beijing market have uneven teachers, and many parents are signing up for fame, so that the teaching quality of students can not be guaranteed, but finally there is no way to complain. Against this background, she proposed to partner to set up an education and training institution, an education and training institution that never forgets the original intention of education, "preaching, teaching and solving doubts," so that parents can rest assured that they are responsible for the growth of their children.

The company was established at the beginning of 2022. This is the idea that our three partners unified at the beginning of the establishment of the organization. We pay more attention to the long-term effect of our products. We are dedicated to extracurricular tutoring in primary and secondary schools. The company has a very good source of students. There is a team of vibrant, passionate, young, rich and strong teachers.

## **2.2. Corporate culture**

Teaching philosophy: quality teaching, one step ahead, to be the best navigation for children's

learning and life!

Values: concentrate on teaching, pay attention to management, return to society, and share harmony.

Talent training mode: confidence, love, sincerity, dedication, concentration.

### **2.3 Corporate task**

Take-off educational institutions enhance the strength of running schools from the aspects of organization construction, resource construction, team construction and so on. Develop the company's follow-up tasks to enhance the company's brand.

1. Adhere to people-oriented. Firmly establish the educational concept of "everything for students, for all students", establish "service tree image, quality for survival, characteristic brand." The mind of.

2. Do a good job in the steady development of the campus and strive to keep the retention rate of the class above 90%.

3. on the basis of running a school, expand the scale of running a school, expand the number of students, and try our best to attract more students to take off in education and study.

- (4) strive to learn theoretical knowledge, improve their teaching quality in teaching practice, and make students like the classroom and gain in the classroom.

### **2.4 The company's products and services**

Our organization has a wide range of tutoring products, offering one-year teaching courses and setting up different characteristic courses for students at different stages, which are different from those in primary schools and secondary schools. And for small, early, cold summer vacation to set up a 15-day special training class. We have also set up a 15-day

advance course for winter and summer vacations. we will finish the course of the next semester with high intensity within 15 days, master the relevant knowledge points, and the students will listen to the teacher again in class and review the knowledge points again to achieve the goal of solid mastery. In view of the difficulties of most of the students, we set up special training classes for junior high school English and senior high school math, physics and chemistry.

The after-school service of the tutoring class is equivalent to the extension of school education, which is a kind of service derived from solving the problem of "time difference" of students after school, early and late. It not only provides professional homework guidance for children, but also helps schools to complete students' teaching tasks and improve students' knowledge level. Through rich and colorful activity design and meticulous arrangement, children can learn to live, learn to be a man, and improve their interpersonal skills; through multi-dimensional education, they can help children develop in an all-round way and improve their comprehensive literacy; analyze the characteristics and differences of each child to find suitable learning models and educational methods for children.

## **2.5 Company Vision and Manifesto**

company vision: to create a professional teaching team, cultivate excellent organizational culture, and achieve excellent take-off education and training institutions.

The company manifesto is:

1. Concomitant life, worthy of trust
2. Strive to become an enterprise that customers rely on
3. Create a natural and happy life experience
4. Be a person of excellent quality and provide excellent service
5. Customer-oriented, highlight the characteristics, and build the first-line brand of Zhongyuan management.
6. Customer dependence, creating experience, learning perception, and realizing change

## **2.6 Legal status of the company**

From the perspective of legal basis, the right enjoyed by education and training institutions belongs to the right of social education, and its existence has a certain legal basis. Education and training institutions are "special enterprise legal persons" in civil law. Its public welfare attribute is the most prominent feature different from the general enterprise legal person; in administrative law, it is the "administrative counterpart", which constitutes an administrative legal relationship with the government. Compared with the national right to education, the education and training institutions which belong to the category of social right to education have unique legal attributes.

## **2.7 Factors to be considered in company naming**

Enterprise naming can not be the name used by some training schools or institutions in the market. And catchy, fashion easy to remember, with a certain cultural heritage, and there are notes. We also need to consider that the target groups are primary and secondary school students' parents and primary and secondary school students. And the name should consider the feasibility of the trademark. Also need to pay attention to the name should be loud, word meaning memory, beautiful shape, such a name can give people a good impression, according to the market demand research and people's habits, uniformly named take-off education.

## Section 3

### Industry Analysis

Although compared with many other countries in Asia, the development of extracurricular tutoring in primary and secondary schools in China lags. This is not only related to the education system of our country, but also related to the short formation time of private education as an industry in our country. However, China is a country with a population of more than 200 million primary and secondary school students. Once the education and training industry is formed, its development momentum is out of control. Especially in recent years, China's education and training market has shown a strong force of capital integration, attracting the attention of a large number of venture capital from home and abroad, especially in 2007 and 2008. a number of extracurricular tutoring institutions have received tens of millions of dollars of investment, and four companies have been listed in the United States in 2010.

#### 3.1 Industry scale analysis

What is the investment prospect and market scale of extracurricular tutoring industry? In the future, we still need to shape a sound and reliable education industry. Under the guidance of policies and with the pace of the times, we can look forward to the future. Between 2022 and 2026, as the age of the third child increases to school-age children, the average growth rate of the extracurricular tutoring market will stabilize at about 15 per cent, and it is expected that China's extracurricular tutoring market will reach 7.5 trillion yuan by 2025.

At present, there are more than 200 million primary and middle school students in our country, and our government is also increasing its investment in education, although compared with foreign developed countries, our government's expenditure in the field of education is still at a relatively low level, accounting for only 3% of our GDP, compared with 5% in the United States and 5.25% in the United Kingdom. However, with the strong growth of China's education market, the importance of

national education has also led to the rapid development of the education and training industry. More than 200 million primary and secondary school students are also the target customer group of extracurricular tutoring institutions. Extracurricular training in primary and secondary schools has become one of the largest and fastest-growing markets in private education in China. According to data, education has become the largest expenditure of residents in China, accounting for about 20% of residents' income. With the rapid development of economy, residents' income has also increased greatly, so that residents have more money to spend on education



.chart 3-1 Change chart of market income for extracurricular tutoring in primary and secondary schools

### 3.2 Industry characteristics

With the development of social economy, the education market is expanding year by year. On the one hand, families' investment in children's education is increasing; on the other hand, with the emergence of personalized and diversified educational needs, in-school education can no longer meet the training needs of many parents for their children. Out-of-school business education provides a wider range of subdivided education services, active in China's education market.

Chinese people are willing to invest in their children's education, and Chinese families account for an

increasing proportion of their children's education expenditure. According to the report on the consumption Power of China's Business Education coaching Market, it is expected to exceed 560 billion yuan in 2021, and the demand for extracurricular tutoring will lead to income growth of hundreds of billions of yuan in the industry. With the development of social economy, the education market is expanding year by year.

On the one hand, families' investment in children's education is increasing; on the other hand, with the emergence of personalized and diversified educational needs, in-school education can no longer meet the training needs of many parents for their children. Out-of-school business education provides a wider range of subdivided education services, active in China's education market.

According to the survey, the average annual expenditure of domestic urban families on children's education accounts for 78.3% of the total expenditure of their children. 81.4% of families choose extracurricular tutoring or tutoring in subjects such as Chinese, math and foreign languages; 33.0% of families pay for music, dance, art, calligraphy and other art training, 14.7% are spent on sports training, and the rest belong to science and technology training. At present, the imbalance of educational resources in China has stimulated a strong market demand for extracurricular tutoring.

Training institutions, education and training institutions for the purpose of academic education or adult continuing education need to have the requirements of venues and teachers, and need to be certified by the competent department of education and qualified to run a school by social forces before they can do business, the price of the training courses needs to be calculated and submitted to the education department for approval, and the increase of courses or changes in fees need to be applied to the education department and approved before they can be changed. Therefore, training institutions belong to private non-enterprise units.

The key success factors of education and training institutions are viewed from five factors: accurate market positioning, excellent operation team, clear organizational structure, standardized management system, and good sense of social responsibility.

1. Accurate market positioning.

Accurate market positioning, in short, there are two aspects, the first "what is", that is, the value and core significance of each institution in the society. As an education and training institution, we should ask all the time. The core value of this problem is to be able to provide "special products and services". The second is the "customer base", positioning and customer base are closely linked.

two. Excellent operation team

Any kind of positioning and service is realized by the team. What kind of signs should an excellent team have? the first one should have a common goal; the second should have a spirit of mission and dedication; the third is the team spirit of cooperation; the fourth should have the spirit of continuous learning; and the fifth is to have the spirit of innovation. The sixth is to have the ability to execute.

3. Clear organizational structure

The construction of the structure is very important. What are the principles of constructing the organizational structure? It is decided according to the business process. As far as education and training institutions are concerned, there are generally product design, market enrollment, consultation, teaching and learning services, and employment services, that is, the organizational structure is delineated according to the business process.

4. Standardized management system

As educators, we need to be passionate, caring and responsible to students and society, but these things should be implemented in the correct service process.

5. Good sense of social responsibility

As a successful operation mode of education and training institutions, good products should have a good design, and products should be designed according to the needs and conditions of customers.

The operation of education and training institutions is the same as the business model of all enterprises, to ensure the quality of teaching, after many years of accumulation to establish a brand. There is no lack of successful cases of extracurricular tutoring and training institutions in primary and secondary schools in various regions of the country after years of development.

### **3.3 Industry trend analysis**

In the national ranking of education and training institutions published in 2011, New Oriental ranked first, Learning and thinking ranked second, and Amber Education ranked third. In the Beijing education and training market, there are many extracurricular tutoring brands in primary and secondary schools, but the absolute

advantages are the two local brands of excellent education and enlightened master education. Excellent education was founded in 1997, and famous teacher education was established in 2002. the former successfully attracted venture capital, while the latter developed rapidly, setting up many campuses in the urban area. New Oriental, Longwen Education, Learning and thinking, which are strongly stationed from outside, also occupy a large market share in Beijing, but the core competitiveness of New Oriental Education lies in foreign language training, and Longwen Education is mainly aimed at one-to-one personalized tutoring. the biggest threat to the extracurricular tutoring training in local primary and secondary schools is learning and thinking education, which has been strongly stationed in Beijing since June 2009. The two brands of Learning and thinking and Zhikang one-on-one have opened 13 service centers and teaching points in Beijing. Excellent education, famous teacher education, learning and thinking, as the famous brands of Beijing education and training institutions, also have a high degree of overlap with the customer base of our organization.

Education and training is a kind of institution or online learning system that informationizes knowledge education resources in recent years. Generally speaking, such institutions or websites will contain educational information from preschool education to universities, and even doctorates or going abroad. There are also specialized websites or training institutions that mainly provide educational resources and training information, including skills training for workers in current positions or laid-off workers.

The rigid demand for education continues to exist, whether parents benefit from their own education self-experience, or forced by the future competition trend of society as a whole, all make contemporary families' education for their children in a highly tense state. However, as modern parents are more professional and busier than before, it is becoming more and more difficult for parents to get away from tutoring their children, whether it is their children's after-school growth management, habit formation or academic tutoring. it is bound to become a part of the social division of labor, which is not only a necessity for further study under the baton of the college entrance examination, but also a necessary option to consolidate the basic quality of students. And in the more and more detailed, more and more in the pursuit of quality in the process of rapid development.

### **3.4 Analysis of the present situation**

Macro environment refers to all the macro forces that affect the development of industries and enterprises. The content of strategic analysis of macro-

environmental factors will be different in different industries and enterprises according to their own characteristics and operational needs. This paper uses PEST model to analyze the macro environment of the development of take-off education and training institutions. PEST model is an English abbreviation for political and legal factors, economic factors, social and cultural factors, and scientific and technological factors.

### **Analysis of the political environment**

#### **(1) the national political environment promotes the development of primary and secondary education and training institutions.**

In 2002, the State promulgated and implemented the Law of the people's Republic of China on the Promotion of Private Education, and promulgated it again in 2004.

The regulations on the implementation of the Law of the people's Republic of China on the Promotion of civilian-run Education, these two legal provisions legalize the running of private schools and allow school-running institutions to obtain reasonable returns, which have greatly promoted the development of private education. In 2010, the two sessions examined and adopted the outline of the Twelfth five-year Plan for National Economic and Social Development, proposing to encourage social forces to set up education and take strengthening weak links and key areas as an important breakthrough to implement major educational reform and development projects. In 2010, the State Council issued the outline of the National medium-and long-term Education Reform and Development Plan (2010-2020), which once again proposed to actively encourage enterprises and other social forces to participate in running schools, improve the strength of weak schools, and expand high-quality educational resources. improve the vitality of schools and increase the efficiency of running schools. We will support private schools to give full play to the advantages of enterprises to run schools, innovate school-

running mechanisms and educational models, strengthen personnel training, improve teaching quality, and turn private schools into characteristic and high-level private schools. The outline also includes a number of policies on the development of China's education industry in the next decade, such as promoting the development of the education industry and increasing the government budget for education expenditure. As a result, government departments will implement more policies to encourage the development of private and vocational education.

**(2) Local laws and regulations are beneficial to the development of primary and secondary education and training institutions.**

After the promulgation of the outline of the National medium-and long-term Education Reform and Development Plan (2012-2020), provincial and local education departments have issued local laws and regulations on the establishment of education and training institutions by social forces to standardize the order of running schools and strengthen management and supervision. For example, Guangdong Province issued the "Standards for the Establishment of non-academic qualifications Education institutions run by Social Forces (for trial implementation)" and the "Administrative measures for the refund of non-academic qualifications Education institutions run by the people of Guangdong Province". The outline of the medium-and long-term Education Reform and Development Plan of Guangdong Province (2010-2020) was published in October 2010. it is also proposed again to encourage social capital to invest in the education industry. Guangdong Province has just issued a policy on Guangzhou Xiaoshengchu, which will explicitly cancel the Xiaoshengchu examination in 2015. On the face of it, it is not conducive to the development of the primary school guidance industry, but in fact, after the abolition of the examination and selection, more parents will make more efforts to strive for fewer quality resources in order to obtain good teaching resources. this is another opportunity for the development of primary education and training

institutions.

**(3) the internationalization and marketization of education affect the development of education and training institutions in primary and secondary schools.**

After China's accession to the WTO, China has gradually opened up the education industry. Multinational training institutions are currently entering the Chinese training market in various ways. For example, Yi Teng International Education (ETI) has been in China for more than a decade, helping countless Chinese students to enter the dream campus. At present, there are many international education and training institutions pouring into China, they have an impact on the development of China's education and training industry, but also promote the development of the domestic education and training industry and training institutions can develop and grow rapidly.

**(二) Economic environment analysis**

**The main results are as follows:**

(1) the extracurricular education and training market in primary and secondary schools is a "sunrise industry", and at the same time, it is in the industry life cycle from growth to maturity. China, which has the largest population in the world, also has a large team of skilled students. due to the parents' attention to student education and the fierce competition in the high school entrance examination and college entrance examination, China has formed a rigid and huge demand for extracurricular tutoring, which has also contributed to the vigorous development of the extracurricular tutoring market in recent years. As the university admission system will not change in the short term, the huge and rigid market demand of the whole industry can maintain the industry in the "sunrise industry", a large amount of capital has begun to pour into this industry, and the industry has shown blowout development. various extracurricular tutoring institutions have been set up one after another, from the national chain of extracurricular tutoring institutions such as New Oriental, Global IELTS, Learning and thinking, Learning University, Giants and so on. To local brands such as normal University, Excellence, etc., and then to family workshop-style training

courses. The whole urban area of Guangzhou can be found everywhere. After the development in recent years, the competition among institutions is fierce, often there are 5-10 tutoring institutions around a school, and the market is relatively saturated

**(2) the market prospect of extracurricular education and training in primary and secondary schools in Guangzhou is huge.**

According to the data, among the urban school-age students across the country, nearly 90% of the primary and secondary school students have participated in English, composition, art and other training. This kind of training expenditure has become an important part of household expenditure. The average annual salary of urban workers in Guangzhou is 45365 yuan, an increase of 12.9% compared with 40187 last year (Guangzhou Statistical Information Network, 2009 Statistical Yearbook). Guangzhou is in the forefront of the country in terms of urban development, the number of urban residents and the disposable income of urban residents. Rapid economic development and high disposable income of residents are also the backing of the sustained demand for the development of the education and training industry. And Guangzhou residents are spending more on the education of primary and secondary school students. It is learned from interviews with some parents and students that more than 80% of the students in their class are taking part in extracurricular training and tutoring. According to the parents surveyed, the monthly expenditure on students' education and training is more than 1000 yuan, and the cost will be even higher if the family has students in the second year's high school entrance examination and college entrance examination.

**(三) Analysis of social and cultural environment**

China's traditional Confucian culture is the traditional cultural background for the development of extracurricular tutoring. Traditional cultural concepts such as "looking forward to success" and "glorifying their ancestors" make many parents, out of consideration for the future of their children, hope that by attaching great importance to culture and education, their children can be admitted to prestigious universities and find good jobs in the future. In addition, under the concept of "do not let their children lose at the starting line", parents hope that their children will receive better and more education and be able to achieve full development in all aspects. In this way, it forms a fertile ground for the growth and development of education

and training institutions.

#### (四) **Technical environment analysis**

The progress of technology has brought great changes to education and training, which promotes the continuous improvement of the ways and means of extracurricular education and training in primary and secondary schools, so as to promote the continuous development of education and training level. In particular, the wide application of modern information technology in the educational domain has made the modern education and training technology develop in the direction of networking, multimedia and intelligence, and is promoting the continuous innovation of the concept and culture of education and training. the traditional modes and methods of education and training are being challenged.

### **3.5 Industry prospect**

With a population of 1.3 billion, China has the largest educational resources in the world, but the development of China's education industry has just started and has great potential. With the current domestic employment pressure and competition becoming more and more fierce, Chinese families attach more and more importance to education, which brings opportunities for the development of education and training industry. Moreover, the prospect of the education and training market is promising, resulting in a large number of domestic and foreign funds pouring into this industry in recent years, which brings great opportunities for us entrepreneurial institutions, when the standardization, process and standardization of institutions are gradually mature. it can attract the eyes of investors and create more development space for the chain operation of institutions. From the perspective of market segmentation, high school education and training is a difficult point for extracurricular tutoring in primary and secondary schools. at present, no education and training institution in Beijing can make its own characteristics and popularity in extracurricular tutoring in senior high school. and education and training is going to make full use of our famous teacher resources, take high school extracurricular tutoring as a breakthrough, make popularity, and build our own brand.

## Section 4

### Marketing Analysis

#### 4.1 Market demand analysis

To choose the target market is to determine the target market of the educational institution by combining its own resources and market environment, combined with the STP analysis tool of marketing management, by subdividing the market, and positioning the target market to meet the needs of the target customers. STP marketing should be divided into three steps. The first step is market segmentation, that is, according to the different needs of consumers for products or marketing combinations, the market is divided into several different customer groups, and the outline of the market segment is outlined; the second step is to determine the target market and select

Choose one or more market segments to enter; the third step is market positioning to form an impression in the target market customer group, which is positioning.

##### 4.1.1 Market segmentation

Although the domestic training market has been expanding in recent years, the number and scale of training institutions have been increasing, but according to analysts, the field of education and training is bound to undergo a major industry integration to optimize the structure of the entire industry. It seems that at present, this integration activity has quietly begun, and the competition among training institutions has reached a white-hot stage. Industry insiders said that the growth of training institutions and development in the fierce industry competition, the trend of market differentiation, the development of concentrated advantage business is the only way out. Take New Oriental as an example, Yu Minhong said that compared with before, in various English training programs, New Oriental has been committed to language training, English training schools, small language training, English training, extensive management, focusing on "small markets". Yu Minhong believes that market segmentation is helpful for organizations to

improve teaching quality and good service, which will be the main theme of the development of English training market in the next few years.

Market segmentation is a process in which the whole market is divided into different customers and needs according to the characteristics of customers' consumption psychology and consumption habits. Market segmentation includes three aspects: basis, process and purpose. In recent years, the development of China's education and training industry has become more and more extensive, including education, early childhood education, science and technology education, foreign languages, finance, and so on. The market of education and training industry is mainly concentrated in six areas: language training, tutoring, business management training, education, vocational education and vocational education in the field of IT.

According to the category of education and training market, language training institutions offer the most courses, nearly 60000, followed by IT training institutions, while extracurricular tutoring in primary and secondary schools ranks third, nearly 20000. The degree of development of all kinds of training is different, which is mainly related to the content of training courses, their respective market demand and investment level.

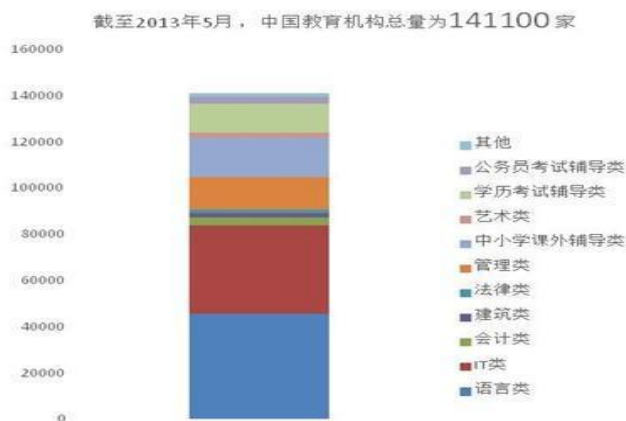


chart 4- 1 National classification map of training institutions

### 4.1.2 Target market choice

Through market segmentation and market research, we can find countless small sub-markets and decide which market to enter and which market to serve customers must think about before the establishment of training institutions. To select one or more markets that can maximize the market and provide the best services as our target market, we must carefully analyze the situation, as well as the comparison and competition of the demand scale of each sub-market, and the increasingly fierce competition, training costs, risks and expected returns, evaluate the appeal of each sub-market, combined with its own situation and development goals, so that training institutions can make the best decisions.

In the practical operation of education and training, many training institutions in the market segment select one or more target customer groups as their clients to provide education and training products and projects. But often many training institutions because of different customer needs to do further research and analysis, resulting in curriculum failure, originally wanted to make their own characteristics according to the target market, but the result backfired. To change this situation and improve customer satisfaction and loyalty, training institutions should first determine the specific needs and wishes of each customer, strengthen communication with customers, and design multiple detailed combinations for the same training project.

Before the establishment of take-off education and training institutions, the partner team needs to make a detailed survey and segmentation of the target market. The higher success rate of entrepreneurship must be to do what you are good at, and to do well is to have a certain degree of popularity and credibility in the field you are good at. We consider that in the partner team, Miss Zhang has experience in the field of education and training, and we should start with what she is good at. In the past few years, she has focused on education, training and textbook compilation in primary and secondary schools. Therefore, the basis for us to give priority to the selection of the target market is to give full play to our strengths, do a good job in the guidance of the three exams in primary and secondary schools in Beijing-the junior high school entrance examination, the senior high school entrance examination and the college entrance examination, establish a standardized and standardized process management model, and implement fine management. seize the

market with a scientific and innovative mode.

### **4.1.3 Market positioning**

Market segmentation, target market choice, it must consider all aspects of the target market competition. In order to win in the fierce competition, we not only need to combine our own strength and adopt appropriate market positioning training institutions to enter the market, but also need to conscientiously implement the target marketing strategy and marketing combination strategy. The so-called market positioning is to determine the position of the training machine in the target market, so that the overall image of the organization can have a fixed position in the hearts of customers. The overall image of training institutions includes not only teachers and places, but also training products, school reputation, social contribution and so on. How to evaluate whether the market positioning of a training institution is successful? It is based on whether the overall image of the training institution is consistent in the eyes of customers. Consistency means success; inconsistency means failure. If it fails, the training institution needs to be repositioned, which shows the importance of market positioning to the training institution.

## **4.2 Purchaser's behavior**

Since ancient times, Chinese traditional culture has taught us that "there is a golden house in the book", and "learning is excellent". Therefore, as parents, their expectation of their children is to "look forward to the success of their children and the success of their girls." Even many parents hold the idea that "their children should not be allowed to lose at the starting line", hoping that their children can go all the way from primary school to college, and finally find an ideal job. So the majority of primary and secondary school students began to join a variety of extracurricular training courses from an early age. Especially with the rapid development of economy and increasing social competition, parents are more and more aware of the importance of knowledge and pay more and more attention to their children's education. This makes parents willing to invest more in education. In order to make their children better, many parents are willing to choose a variety of training institutions for their children, so there is a huge demand for extracurricular training for children. And with the increasing pressure of modern life, many parents do not have much time and energy to take care of

and urge their children to study because of their busy work. So they prefer to send them to training institutions on weekends and holidays, so that their children can be cared for while their children improve their academic performance, and they can work hard at work. Since the implementation of the family planning policy in the 1980s, many children have been the only seedlings in the family, which has made parents' expectations of their children higher, and parents would rather live frugally to send their children to school. Extracurricular education and guidance institutions can make up for the shortcomings of all aspects of public schools and meet the needs of parents to train their children to grow up, so that education and training institutions can survive and grow.

### **4.3 Competitor analysis**

3.3.1 potential entrants: potential entrants are mainly those enterprises that are willing to invest in the industry but have not yet taken action. For take-off educational institutions, potential training institutions can be understood as potential entrants, and the more likely they are to enter the local industry, the greater the threat to the college. And now the state has no clear restrictions on the development of education and training, the industry lacks core technical advantages, and the threshold for entry is not high, which makes many potential entrants enter the industry one after another to obtain customers by reducing the training price. this behavior not only disturbs the original market order, but also reduces the profit space of the college. If take-off educational institutions want to win in the enterprise competition, they should accumulate strength, strive to improve the quality of classroom teaching and related customer service, and often carry out free open classes, encourage donations and other behaviors to maintain and enhance the brand image.

3.3.2 the threat of substitutes: substitutes, as the name implies, mean that customers can find products that have the same functionality to replace those currently in use. There is no substitute threat in the education industry itself. The continuous growth of education and training attention is mainly due to people's demand for self-development in recent years. According to the characteristics of the market, take-off education institutions can train customers according to the characteristics of individual differences, learning basis and rest time, and have

targeted training characteristics and needs.

3.3.3 Competition among existing competitors in the industry: the focus of competition among competitors within the industry is to gain more competitive advantage, therefore, conflicts and confrontations occur from time to time. The competition among enterprises in the same industry mainly focuses on the price of products, the characteristics of products and after-sales service. At present, the threshold limit of the education and training industry is low, and many competitors have no obvious grade difference. From the local point of view of Beijing, Huatian School and Oriental School are the main competitors of take-off educational institutions, their main way of competition is to fight a price war to attract candidates by reducing profit margins. However, such competitive means are not conducive to the sustainable development of the enterprise industry. Therefore, take-off education institutions intend to improve their competitiveness by improving teaching quality and improving training services. With the unremitting efforts in recent years, they have gained some business experience, produced certain brand advantages, and have a place in local education and training in Beijing, which is relatively in an advantageous position.

#### **4.4 Annual sales and market share**

Take-off education and training institutions are old private education and training institutions with many years of experience in running schools, and they mainly face competition from two aspects. on the one hand, they come from the currently occupied market, and the take-off education and training structure has occupied a part of the market share. therefore, we need to maintain and find ways to expand the share, on the other hand, from the external new regional market to enter. According to the survey, at present, the main competitors of take-off education and training institutions include large leading enterprises such as New Oriental, University of Hong Kong and good Future, as well as many small and scattered local training machines. Compared with the former, the brand effect of take-off educational institutions is weak, the market coverage is not high, the

preferential power of activities is not as strong as that of large institutions, compared with the latter, the business is the same, and the product homogenization is obvious, thus it can be seen that the comprehensive ability of take-off educational institutions is in the middle level among competitors in the same industry, and the competitive pressure in the same industry is greater. And according to statistics, by the end of 2019, there were nearly 191500 private educational institutions in China, an increase of 8052 over the previous year, from 139900 in 2016 to 191500 in 2019, with an average annual compound growth rate of 4.59%. Among them, the maximum growth rate in 2013 was 6.5%. After 2013, the growth rate was 3-5%, slowed down year by year, and rebounded to 4.36% in 2019. It can be seen that the market competition in the education and training industry is fierce.

**chart 4-2 Number of private educational institutions (Unit: ten thousand places)**



Through the analysis of the development environment of the above-mentioned industries, it is found that although there are broad prospects for the development of the education and training market at present, the take-off education and training institutions are still

facing great competitive pressure in the industry. with the development of competitive excellent teachers, single channel certification institutions and information technology, the bargaining power of suppliers and buyers has been greatly improved. Due to the restriction of the entry threshold of the education and training industry and the influence of brand effect, there is little threat to new entrants and substitutes in a short period of time. In view of the fact that there are a large number of education and training enterprises, small brand influence and serious homogenization competition, take-off education and training institutions currently compete fiercely in the same industry.

## Section 5

### Economics of The Business

#### 5.1 Overall marketing strategy

It is based on product, price, distribution, promotion and program implementation, external uncontrollable factors to make a positive dynamic response, which leads to transaction execution and meet individual and organizational goals. Therefore, the core marketing activity is to make a positive dynamic response based on product, price, distribution, promotion and plan implementation, external uncontrollable factors, which lead to transaction execution and meet individual and organizational goals. Therefore, the core marketing activity lies in the formulation and implementation of effective marketing mix.

#### 5.2 Pricing strategy

The products of take-off education and training institutions are unique and innovative in the current education and training market. due to the particularity of the products, our products cannot quickly seize a large share in the training market. This is the idea that our three partners unified at the beginning of the establishment of the organization, we pay more attention to the long-term effect of our products, brand effect, this process must be step by step. Therefore, when pricing products, we refer to the prices of extra-curricular courses in the market, but more consider the use of cost-oriented pricing, cost-oriented method, that is, based on the cost of products, on the basis of the unit product cost plus appropriate profits as the price of the unit product. The ideal gross margin is determined by the enterprise itself with reference to the market price. The enterprise is allocating various expenses according to the ideal gross profit, and each department carries out the whole annual plan according to the budget. This pricing method is simple, intuitive, and easy to operate. it is easy to get the ideal profit index by comparing with the market price, and the price will not differ greatly from the competitors. First, we set the gross profit margin of the organization at 30%. 25% Murray 30% in the education

and training market is reasonable. Management expenses are fixed costs, which are mainly composed of rent, office supplies and publicity expenses, accounting for 30%. The remaining 40% is the salary of the teachers. At present, the salary of teachers in domestic training and education institutions is generally no more than 30%, but for new entrepreneurial institutions like us, teachers are the core competitiveness and a strong guarantee of service quality. Moreover, human resources are the most important competitive force in the competition of enterprises in the 21st century. For start-up enterprises, the cost of brain drain is very high. Therefore, our pricing strategy puts teachers' salaries in a competitive position, which is not only a preparation for retaining talents in advance, but also a strong guarantee of service quality. Considering the above factors, we have made the product pricing that is in line with our organization's development strategy and marketing strategy.

### Chart5-2 Curriculum fees for take-off education and training institutions

Curriculum fees for take-off education and training institutions				
Class / grade	one to one	one to two	one to three / four / five	small classes
Primary school	120 yuan / hour	100 yuan / hour	80 yuan / hour	70 yuan / hour
junior high school	150 yuan / hour	120 yuan / hour	100 yuan / hour	80 yuan / hour
senior high school	200 yuan / hour	150 yuan / hour	120 yuan / hour	100 yuan / hour

### 5.3 Sales process and promotion

Promotion strategy means that enterprises transmit product information to target consumers, arouse their interest and attention, and stimulate their purchase desire and purchase behavior through various promotion methods, such as personnel promotion, advertising, public relations and business promotion. In order to expand sales. The main channel strategies of take-off education and training institutions are

(1) make use of the partners' network resources to publish regular advertisements on the educational pages of the mainstream print media in Beijing at a lower price. For startups, first of all, let consumers know you, it is possible to find you. Because the partners have long-term experience in the media industry, they have rich resources for publicity planning and channels. In addition to the publicity in the print media, we will also select several online media to promote our organization's products, such as the educational pages of QQ.com and Sohu.

(2) to make use of the media community resources to publicize the organization's publicity leaflets in the community and distribute them widely so as to improve the recognition of the organization.

(3) arrange high-density staff to distribute publicity leaflets in schools, which is the best way to face customers, so that customers can get to know and contact our organization most directly and quickly. And through high-density distribution, let customers deepen the impression of the machine, in the breadth can also be quickly covered.

(4) conducting publicity activities through entry into the community. Similar to handing out leaflets near the school, entering the community for publicity is also the best opportunity to face customers directly. And most of the publicity activities in the community are for parents. At present, the extracurricular tutoring courses for students in Beijing are generally chosen by their parents. At the same time, entering the community environment has a higher degree of trust than

schools handing out leaflets, and it can also provide parents with opportunities for consultation. So the publicity effect of the community will be more direct and effective.

## 5.4 Distribution and sales

For take-off education and training institutions, the main sales strategies are

(1) make use of the network resources, through contact with the senior management of the enterprise, promote the preferential courses of the organization as the welfare of the employees in the enterprise, although there is profit in the profit, it can quickly build up the trust, attract the employees of the enterprise to come into our organization, try our courses, can initially attract customers and make the organization operate formally. (2) establish contacts with a number of charities to provide free courses and tutoring activities for special groups. At present, the extracurricular tutoring institutions in Beijing are not cheap because of the limitations of region, teachers and other conditions. And these expenses are not affordable to all parents. Especially for children from families with difficulties, although they live under the same blue sky, the teaching resources they can enjoy are far less than those of children of the same age. It is also the original intention of our three partners to help the children in need to finish their studies as far as we can. Therefore, providing free course tutoring for special groups is also one of our promotion strategies, which can not only help these children improve their academic performance, but also better and faster establish the brand image of our organization.

(3) take-off education and training institutions will also carry out publicity and promotion through the network. Today, with the rapid development of the information age, network propaganda is an indispensable means. First of all, create a distinctive and eye-catching official website, whose functions must also include online consultation, online registration and online payment functions. The establishment of the website can not only improve the image of the organization, but also provide new channels for customers to consult. At the same time, the official Weibo and Wechat will be established to promote institutional education concepts, student education information and in-depth interaction with netizens through Weibo and WeChat every day. The effective use of these emerging media can quickly improve the identification of the organization, careful management can

also improve the credibility of the organization and maintain a good customer relationship.

(4) establish contact with the MBA center of Beijing universities and give special lectures on children's education in the MBA groups of many universities in Beijing, which has a certain influence on the MBA groups in South China. The MBA group is an influential group in the society. Through this series of lectures, we can quickly improve the popularity and influence of the organization, and quickly establish the brand of the organization.

## Section 6

### Management Team and Company Structure

#### 6.1 Management team

It is observed that there are still many areas of education and training with potential for development in the next few years, such as early infant education, subdivided language training (such as high-end English, children's English, etc.), distinctive vocational training and online training that can provide unique teaching content and bring trainees from all over the country together, and so on. Entrepreneurs and investors who are interested in breaking new ground in the education and training industry can pay more attention to these areas.

Thirdly, there must be no shortage of members with experience in the field of education in the entrepreneurial team of education and training projects. I think the person in charge of an entrepreneurial team had better be an educator, or even an excellent teacher trained on the podium. Because only when these people have a clear understanding of what kind of courses can win the students' favor and what style of teachers are loved by the students.

Trees in every year and people in a hundred years", the education and training industry can not only bring considerable cash flow and huge profits to entrepreneurs, but more importantly: it is a lofty and respected century-old cause. As an "old educator" who has taught for many years, I sincerely hope that more entrepreneurs and investors will join this great industry!

##### 6.1.1 Background introduction of entrepreneurial partner

Zhang XX: MBA student of Southeast Asian University of Technology, began to engage in primary and secondary education and training after graduation in 2008. I love reading and have rich knowledge reserves. I am a senior educator fully recognized by many parents. I once co-founded a "master's degree education" training institution, which is responsible for enrollment and teaching, recovered all the investment costs in one year, rapidly expanded to three campuses, and then quit for personal reasons. In the entrepreneurial team is responsible for the formulation of

student training plans, curriculum, teacher team building, the establishment of training system, the supervision of the teaching quality of the organization.

XX Chen: MBA student of Southeast Asian University of Technology, majoring in marketing. The vice president of a subsidiary of a city newspaper group in Beijing has been engaged in marketing for more than ten years and has rich practical experience in formulating enterprise development strategy and marketing strategy. Have two entrepreneurial experience, with many primary and secondary schools in Beijing, large-scale community channel resources. Responsible for the organization's strategic goal formulation, market development and marketing channels.

I: MBA student of Southeast Asian University of Technology, engaged in customer service for two years after graduation in 2005, and 6 years of administrative and personnel work in the company. I have rich experience in human resources management and administration. To be responsible for the educational administration and financial work of the institution.

Alibaba founder Jack Ma said: start a business to find the most suitable person, not the most successful person. Our three partners can quickly reach a consensus in two meetings, not only on the basis that we are all classmates, but also because our respective professional backgrounds, skill backgrounds, and even personality characteristics complement each other. on the basis of full trust in each other and on the basis of optimistic prospects for the development of domestic education and training institutions, the three of us hit it off The idea of setting up an education and training institution in Beijing has become a certainty. In order to make our business go more smoothly and safely, a detailed business plan is essential, and it is also a prerequisite for our ideas and ideals to become a reality, and it will also be the beacon of our entrepreneurial process.

## **6.2 Entrepreneurial management team**

The efficiency of the management team, the core members of the enterprise and the quality of the management team determine the level of enterprise management. The

efficient operation of the enterprise needs strong executive support, and the strong executive force needs a highly cohesive and high-quality management team. So in our team, in addition to the three partners serving as the main leaders of each of the three departments, we launched the company's acting head program at the beginning of the business, in order to enhance the overall level of our management team and improve the cohesion of the company's employees. The acting responsible person plans to select some outstanding teachers from among the members of the teacher team as the person in charge of the teaching point in the future, they will participate in the entrepreneurial process of the organization throughout the process and give advice in the process of formulating the system and process related to the organization. At the same time, they will participate in the learning and training of leadership and management courses provided by the organization. Finally, the organization will evaluate and assess these teachers, if they pass the assessment. These teachers and members will join the management team of our organization and will get some shares in the organization. Of course, the redemption period of the shares is five years later. The purpose of the agent in charge plan is not only to strengthen our management team and improve the cohesion of the organization, but also to encourage the employees of the enterprise, so as to promote the personnel training of the enterprise. to provide a source of power for the sustainable development of the enterprise.

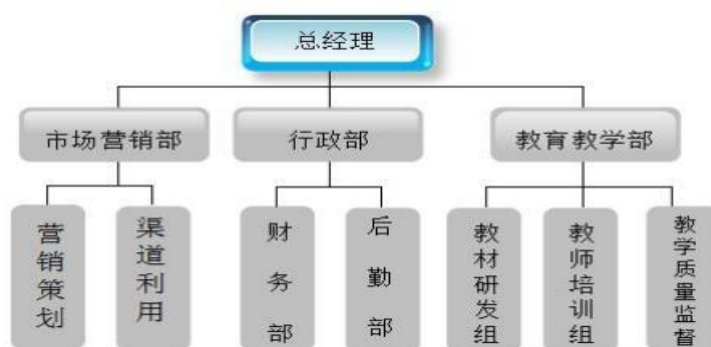


chart 6- 1 Corporate structure chart

(1) shareholders' meeting: the company establishes a shareholders' meeting, and the shareholders are held by three partners, who are responsible for formulating the

company's development strategy and making major decisions. Shareholders are required to hold regular shareholders' meetings.

(2) General Manager: fully responsible for the operation and management of the company; supervise the operation and management of the company; determine the development direction and management objectives of the company, organize and formulate the development plan and annual work plan of the company. Strengthen the construction of the company's staff and teachers, build a learning organization team, and constantly improve the professional quality and personal cultivation of the staff.

(3) Director of Education and Teaching Department: the teaching material research and development team of the leading organization completes the research and development of teaching materials; do a good job in teacher training, improve the quality of teachers, and do a good job in teaching quality supervision.

(4) Director of the administrative department: strictly abide by the financial management system of the organization, do a good job in financial statements, reporting and cash management, and do a good job in educational affairs, including the maintenance of parent relations, student relations, teacher relations, curriculum arrangements, teachers, and teachers. Office management, including maintenance of site and equipment, purchase and distribution of office supplies, office cleaning and other work. Coordinate with the director of the Education and Teaching Department to do a good job in the management of teachers.

(5) Marketing Department: formulate the company's promotion plan, make a good marketing strategy, and implement and improve it. Do a good job in budgeting and controlling marketing funds. Responsible for market research, market analysis, make business promotion plan. Understand the basic situation of customers and the data related to the enterprise, establish, and use customer database.

### **6.3 Establishment and staffing of departments**

At the beginning of the business, to save costs, the staffing plan of the organization is mainly streamlined, and there are three forms of teaching posts. One is a cooperative teacher, such as two experienced math and chemistry teachers, who sign a cooperation

agreement. One is full-time teachers, the number of full-time teachers is relatively small at the initial stage of starting a business, and they must share the same educational ideals and similar teaching ideas with our educational institutions, and they need to go through strict training and assessment before they can be admitted as full-time teachers and sign labor contracts; the last one is part-time teachers, who can sign part-time agreements after strict interview and selection, training and assessment.

chart 6-2 Organization staffing table

Doors	managers	numbers	functions	employees	numbers	functions
<b>Administrative Department</b>	Executive Director	1	Administrative Business Educational Administration	Assistant,	1 (Office Staff concurrently)	plan formulation, implementation, and supervision
<b>Marketing Department</b>	Marketing Director	1	Marketing and Marketing	Consulting / Marketing	2 (concurrently)	Executive
<b>Office</b>	office staff,	1	daily business	office reception	1 (office Also)	handle daily affairs
<b>Education and Teaching Department</b>	Director	1	textbook Research and Development Teaching quality Supervision	Assistant Director	1	assist Director in handling affairs teacher training

### 6.3.1 Educational teacher training system

A strong force of teachers is a strong guarantee for the teaching quality of education and training institutions, so teachers of take-off education institutions have a strict education and training assessment system, and they must pass strict training and assessment before they can take up the post as follows:

First, it is necessary to go through two stages of training and teaching assistant before formal class, and then attend class after passing the examination.

(1) the first stage, teaching and training:

Sign a training agreement and participate in 15 teaching skills and teaching skills training. Teachers who have completed the training and passed the assessment will be given a

training subsidy of 500 yuan. You can continue to participate in the training if you fail to pass the examination.

(2) the second stage, TA training:

After passing the first stage of examination, I will serve as a teaching assistant in teaching for a period of one month, participate in at least five courses, and answer questions for students. After passing the TA examination, you can formally lead the class to teach. After attending 3 classes for the students, the TA will be granted a subsidy of 1000 yuan.

II. Training methods, contents and assessment methods of teachers in take-off education

(1) training methods: classroom attendance, teaching skills training, teaching skills training

(2) the contents of the training include:

A) thematic training in teaching skills to quickly acquire teaching knowledge and skills.

B) complete a large number of training and summary of questions for the corresponding majors.

C) Teaching skills training, through on-site trial lectures, correct mistakes in the teaching process and quickly improve teaching skills.

(3) examination method:

A) the knowledge and skills examination, the written test, and the total score of 95% of the paper score is passed.

B) skill assessment, passing the trial lecture score. The examination during the teaching assistant period shall be personally assessed by the teaching director, and those with good or above results will be passed.

#### **6.4 Other professionals**

High-quality teachers are the core competitiveness of the education and training structure, so our organization not only has a strict selection and selection system for teachers, but also adopts a system of rewarding and punishing teachers who are in service.

There are two forms of reward for excellent teachers, one is salary incentive, the other is acting responsible person plan. The content of salary incentive is divided into four kinds of reward forms: attendance award, model award, student renewal award

and outstanding employee award. The specific contents are: attendance award, reward 50 yuan / each course, requirement that the current course is not late (arrive 5 minutes early), do not leave early, no leave. Model award, 100 yuan per course, the condition is that (1) the relevant regulations of the company are implemented in place, (2) no mobile phones and other materials that have nothing to do with the classroom, (3) submit teaching plans that meet the standards on time, (4) submit teaching feedback forms on time every week, and (5) attend regular meetings at least 3 times a month. Students renew their awards, award 100 yuan for each course condition, require teaching results, obtain recognition from parents and students, and continue to apply for the teacher's course. Outstanding employee Award, reward: 200 yuan / month, the condition is to undertake work other than class, and achieve excellent performance.

For teachers with poor performance, we also have a strict punishment system, which violates company regulations more than three times and will be eliminated, whether full-time or part-time. In the educational philosophy of our organization, everything is child oriented. If someone violates this fundamental principle because of their own convenience or interests, everything is an interview, and our principles will not change.

## Section 7

### Production and Operation Plan

#### 7.1 Business models and procedures

Although only XX has a deep understanding of the education and training industry among our three partners, we all have a deep understanding of education and the growth of our children, and have reached an agreement: to create a quality education brand with characteristics, establish a management process, standardization and standardization, achieve chain operation, help more children solve learning problems, and serve more audiences in the future. In order to achieve our common goal, our strategic planning is divided into three steps:

The first step: create characteristic high-quality courses, create a high-quality brand of education, and take the brand management strategy. The brand management strategy is determined after the full investigation of the education and training market, the determination of the target market and the accurate market positioning, because the brand construction is the key factor to win customers, strive for survival and great development. it is also a necessary condition for building a training institution with core competitiveness. In order to survive and develop among many education and training institutions, our institutions must create high-quality courses with their own characteristics, which is the key for institutions to quickly integrate into the market and gain a firm foothold. and our institutions have sufficient conditions in terms of teachers and abilities to create their own high-quality courses, so as to create high-quality brands. Always adhere to the brand development strategy, build an elite team of teachers, and strive to build take-off education and training institutions into first-class brand education and training institutions.

The second step: after the establishment of a successful brand education institution, we should innovate the management system and implement process, standardization and

standardized management. A good brand needs a good system and standardized process to maintain, and institutions must implement standardized management in order to ensure that the value of the brand continues to rise. Therefore, it also requires our institutions to form their own independent and strong R & D teams and teachers, to form their own standardized teaching model through continuous innovation, and to improve service quality through scientific planning. It is conducive to the sustainable development and rolling development of training institutions.

The third step: in the case of the successful implementation of standardized operation, standardize the operation process, and finally realize the chain operation. Only by realizing the chain operation, can the education and training institutions develop rapidly. The standardized operation process is the prerequisite to ensure the brand value while realizing the chain operation. In order to be at the top of the training market, training institutions need to strengthen brand construction, implement standardized management strategies, and adopt the method of regional expansion to realize chain operation.

## **7.2 Business location**

Where does the training institution open? In particular, the choice of the first facade is particularly important, whether the location is correct or not may become the key factor of whether we can start a business or not. In a big city like Beijing, the location of training institutions has the following elements: first, the first thing to bear the brunt is the convenience of transportation. For people who are used to living in Beijing, it is basically a long way to go to every place. But it doesn't matter if there is a distance, the important thing is that the transportation should be convenient. Direct bus and subway, a few steps out of the station, that is what customers and businesses most like to see, of course, for some children need parents to pick up customers, there is a parking place, or even parking is a better choice; second, the intersection of famous schools and large communities. There is no doubt that the concentration of famous campus is the most ideal place for training institutions. Famous school students love learning, good grades, parents will embrace bigger dreams on the premise of seeing hope, but also more willing to spend money on their children's study. And the large community is also an important point of consideration.

according to the survey, at present, many family workshop education and training centers are opened in large communities, especially some interest courses and custodian classes in primary and preschool education, which are convenient to pick up and transport. parents are more at ease when they are close to them. Third, in places with strong popularity, the establishment of educational institutions also needs popular areas. If it is a newly developed urban area with fewer residents, a small population and a lack of more floating population, it is not appropriate to set up training institutions. Fourth, where the resources of the surrounding communities are mature, such as office buildings, restaurants, shops, etc., the survival of anyone needs to be connected with the people and things around them, as do educational and training institutions. These seemingly unrelated industries are in fact inextricably linked to each other, influence each other and help each other.

Combining the above factors, our entrepreneurial team used a week to conduct a field visit to the key education areas in Beijing, and finally selected Yang Ji as our first entrepreneurial facade. The advantage of choosing this address is obvious:

(1) located in Haidian District, Beijing, it is a high-quality educational resource concentration area in Beijing.

(2) there are many famous schools nearby: Yucai Middle School, Tieyi Middle School, Beijing No. 7 Middle School, Peizheng Middle School, Tieyi Primary School, Dongfeng East Road Primary School, Peizheng Primary School and so on.

(3) the transportation is very convenient. Subway Line 1 and Line 5 go directly to the interchange, which is only one stop away from Beijing Haidian City Center Tsinghua University and Peking University. There are many high-end communities nearby, and the bus stop is downstairs.

But the disadvantages of such a superior location are also obvious:

(1) first of all, the geographical location is good and the rental price is expensive. This is a very costly place for startups, and if we fail to do a good job in financial budget and control, it may become the key point of entrepreneurial failure.

(2) many training institutions have long been interested in such a superior geographical location. Within one kilometre of the MTR station, more than 20 similar training

institutions have set up campuses. There are listed companies such as Excellence Education, Longwen Education and Learning thinking, and there are also many famous brand training institutions that have taken root in Hong Kong. For example, the education of famous teachers; and there are countless small and medium-sized training centres set up next to schools in the community, and the competitive environment is not generally bad.

Therefore, how to make our training institutions adapt to this living environment and find their own way in such a bad competitive environment has become the key to the success of our business.

### **7.3 Operational strategy and plan**

in order to ensure the normal operation of the training institution at the initial stage of its establishment, the early equipment purchases are computers, printers, desktop air conditioners, tables and chairs, as well as office supplies, as well as sofas and drinking fountains. There are also some book materials and bookshelves. As a result of the store decoration, but also do doors and windows, partition and interior decoration, logo.

As the major shareholder of our company and the director of the Education and Teaching Department, Zhang XX is not only a teacher with unique teaching methods, but also a real educator with lofty educational ideals. In her ideal education kingdom, children can learn happily, learn independently, and grow into talents who can make their parents proud. Therefore, our company's education concept has its own unique way of thinking, do not rigidly adhere to the general corporate commercial model, but want to become the cradle of children, all the starting point is for the healthy and happy growth of children.

The specific operational strategies and plans are as follows:

Company slogan: everything is child-centered and strive to maximize the development of children.

Company vision: to create a professional teaching team, cultivate excellent organizational culture, and achieve excellent take-off education and training institutions.

Teaching philosophy: quality teaching, one step ahead, to be the best navigation for children's learning and life!

Values: concentrate on teaching, pay attention to management, return to society, and share harmony.

Talent training mode: confidence, love, sincerity, dedication, concentration.

From the beginning of the decision to establish take-off education and training institutions, our education and training institutions have a grand goal: to set a model for Beijing education and training circles. To this end, we will work tirelessly to build our brand from three aspects. The first is to improve the brand core competitiveness of our organization: constantly optimize the quality of educational services; secondly, to create good corporate values, team culture values, which is the key to improve brand stability; finally, always maintain the ability of continuous innovation. Only when all employees have unified values and common spiritual pursuit, can institutions have a kind of tension and profoundly affect the quality of institutional brands, and institutional brands can really have a stable core. If our education and training institutions want to set a benchmark in the industry and build a permanent brand, we need to more actively study and realize new methods and ways that can maximize customer satisfaction, and improve the loyalty of students and parents by improving the quality of teaching, so as to enhance the influence of training institutions and make the development of the structure brilliant.

## Section 8

### Design and Development Plan

#### 8.1 Development status and tasks

In the Yangji zone, where there are many training institutions and big-name educational institutions, if our institutions still follow the routes of synchronous classes, improved classes and guaranteed classes that other institutions have, then there will be very little room for us to survive. It is estimated that we will soon die in our infancy. Our education and teaching team has set up courses with the following characteristics after investigation and research, combined with Director Hu's teaching methods.

##### (1) one-year teaching course

The one-year teaching method is an effective teaching method introduced by Mr. Zhang, the teaching director of this institution, after many years of scientific exploration and practical experience. This teaching method has unified teaching materials. by building a knowledge system, straightening out the structure of key points and breaking through key questions, children can master all the knowledge points of this stage of learning within a year and quickly improve their grades.

The "one-year" teaching method of mathematics, physics and chemistry is introduced to enable students to easily overcome mathematics, physics and chemistry, and at the same time encourage students to have more time to develop their interests and hobbies and improve the quality of quality education. The one-year course is in the form of a high-quality small class of ten students, and students organize classes to participate in the one-year course. With the characteristics of curriculum concentration, classroom compactness and great intensity of classroom content, the one-year curriculum requires particularly high requirements for teachers, and the compilation of teaching materials should be complete and perfect, while Mr. Zhang is fully competent in teacher training and textbook compilation through the teaching experience of the past few years.

★One-year maths / physics / chemistry ten-person boutique class

Training object: primary and secondary school students with good foundation.

Curriculum: a total of 150 hours, each class time is 3 hours.

Internal textbook: one-year Mathematics / Physics / Chemistry

Training content: for the high school entrance examination of all-round advance learning, chapter training, special breakthroughs, comprehensively strengthen the examination skills.

☆Characteristic curriculum in primary schools:

Chart 8-1 Characteristic curriculum schedule of primary school

Characteristic courses	suitable for objects	teaching objectives
Finish maths in primary school in one year	4-6 grade	50 classes to master all the problems at the beginning of junior high school Types and knowledge points

☆Characteristic courses in secondary schools:

chart 8-2 Characteristic curriculum schedule of middle school

Class	suitable for objects	class hours
Finish junior high school math in one year	From the first to the third year of junior high school	150 hours
Finish junior high school physics in a year	From Grade two to Grade three of junior high school	150 hours
Finish junior high school chemistry in	third year of middle school	75 hours

half a year		
Finish high school math in a year	Rise one, rise two	150 hours
Finish high school physics in a year	Rise one, rise two	150 hours
Finish high school chemistry in a year	Rise one, rise two	150 hours

## (2) Key node advance course

Mr. Zhang once gave a lecture on the key nodes of students' learning and career planning in the School of Business Administration of South China University of Technology, and many MBA parents and students had a heated exchange and discussion with Mr. Zhang after listening to the lecture. What is the key point in a child's learning life? These key nodes as parents how to help their children in time. As we all know, children's learning is like our lives, the past day is a day, there is no chance to recover. The same is true of children's learning career, the past will pass, and it will be too late if they don't catch it.

## 8.2 Challenges and risks

Although since 2002, the state has promulgated a lot of political provisions or laws and regulations to encourage and promote the development of private education institutions, because different governments have different interpretations of policies, each region has different policy support for the education and training market. In addition, in recent years, due to the expansion of the education and training market, the whole industry market appears to be in chaos, and the training institutions make false propaganda and teaching accidents spell out, resulting in the country gradually improving the education and training market and putting forward various restrictions on the education and training market, resulting in great policy instability in the current education and training market and great obstacles to the

development of the industry. In addition, as our take-off education and training institutions, based in Beijing, self-brand entrepreneurs, due to the lack of funds and teachers, the impact of the policy is very great. For example, Beijing's decision to cancel the examination at the beginning of Xiaosheng in 2013 will also cause a large number of education and training institutions that used to operate the exam as a boutique brand to quickly adjust their business strategies. otherwise, the student market will be greatly affected. There is also the reform of college entrance examination subject scores that began in 2013, and there will also be an upsurge of reform within the education and training market.

In the face of the risks brought about by policy adjustment, our education and training institutions can only accept and adapt, and act in accordance with national laws and regulations. However, the state has issued restrictions and normative provisions on the education and training industry, which, from another point of view, is to constantly standardize and improve the education and training market. As practitioners of the education and training market, they always adhere to the legal provisions of enterprise operation and operate in good faith. I believe we can set an example in the perfect education and training industry by adhering to the morality of the education and training industry and focusing on students. To achieve greater development.

### 8.3 Curriculum arrangement

We have set up a 15-day advance course for winter and summer vacations. we will finish the course of the next semester with high intensity within 15 days, master the relevant knowledge points, and the students will listen to the teacher again in class and review the knowledge points again so as to achieve the goal of solid mastery.

**Chart8-3 ☆15-day special training class in primary school:**

Class	suitable for the object		class hours
Primary school maths	5~6grades		30 class hours
primary school English	5~6grades		30 class hours

★15-day special training class in junior high school:

Chart8-4 Special training schedule for 15 days in middle school

Class	suitable for the object	class hours
Junior high school mathematics	Promoted to the first, second and third year of junior high school	30 class hours
junior high school physics	Promoted to the first, second and third year of junior high school	30 class hours
junior high school chemistry	Promoted to the first, second and third year of junior high school	30 class hours
junior high school English	Promoted to the first, second and third year of junior high school	30 class hours

★15-day special training class in senior high school:

chart 8-5 Schedule of 15-day special training course in senior high school

Class	suitable for the object	class hours
High school math	Rise one, rise two	30 class hours
high school physics	Rise one, rise two	30 class hours
high school chemistry	Rise one, rise two	30 class hours
high school English	Rise one, rise two	30 class hours

### (3) English characteristic courses

For Chinese students, the difficulty of English learning lies in the mastery of English words. As long as they master English words, no matter in primary school, junior high school or senior high school, the study of English curriculum is not a problem. Students who get high scores in the exam are often students with a large vocabulary. Therefore, compared with the English teaching of other training institutions, our organization has launched a special training course: word class. Through the characteristic teaching method designed by teachers, students can memorize words quickly and effectively, and can enjoy the learning process, to achieve the effect of happy learning and memorizing words.

#### ★Junior high school English special training class:

chart 8-6 Junior high school English special training course schedule

course	suitable for the object	class hours	
English leading class in junior high school (1000-word class)	4 ~ 6 grades	30 class hours	Proficient in the meaning and usage of words
The core of junior high school English 1000-word class	Promoted to the first, second and third year of junior high school	45class hours	Proficient in the core vocabulary of junior high school English
Words in the junior high school entrance examination 2000word class	Promoted to the first, second and third year of junior high school	90class hours	Proficient in vocabulary and English for senior high school entrance examination High score and barrier-free

(4)It is well known in the industry that the extracurricular tutoring work of senior high school with the characteristics of mathematics, physics and chemistry is not easy to do and can not do well. The reason is that there are many knowledge points in senior high school, and the relationship between knowledge points and knowledge points is the focus of the examination. This requires students not only to skillfully master knowledge points, but also to learn to be able to master knowledge points. But it's not easy to do that. Even our high school teachers do not see that when teaching students knowledge, they can take into account all the knowledge points of a topic and enable students to solve it quickly. Take-off Education has the honor to cooperate with two senior mathematics and chemistry teachers in high school, together with our teaching director Mr. Zhang, to form a strong and powerful "iron triangle" of mathematics, physics and chemistry in senior high school, and launch the personalized teaching method of mathematics and chemistry in senior high school.

**★The characteristic teaching class of mathematics, physics and chemistry in senior high school**

**Chart8-7 Curriculum schedule of special teaching classes for mathematics, physics and chemistry in senior high school**

Class	suitable for the object	class hours
High school math	Grade 1, Grade 2, Grade 3	30 class hours
high school physics	Grade 1, Grade 2, Grade 3	30 class hours
high school chemistry	Grade 1, Grade 2, Grade 3	30 class hours

(5) One-to-one high-end customization, personalized tutoring teaching

With regard to our one-year course, due to receiving information that many parents do not know how to start with their children's learning guidance at the same time, our organization has launched high-end customized courses, general practice tutoring, on

the basis of one-year courses, to provide customers with more personalized services, promising to protect children's learning. And tailor-made training programs according to the training direction of children, as well as the cultivation of children's personality development, such as tailor-made lessons on interest, leadership, communication, and so on, so as to maximize efforts for the development of children, is our consistent slogan. This kind of course is expensive, especially for people who have superior family economic conditions and pay more attention to their children's learning and personality development but have no time to take care of them for various reasons.

Educational institutions are divided into four counseling cycles every year, namely, summer vacation class, autumn class, winter vacation class and spring class. the summer vacation class is the most prosperous of the four tutoring cycles, and the success or failure of the most vigorous cycle determines the future development of training institutions. therefore, the opening time of the organization's first entrepreneurial store is planned in early June, mainly with student training fees as the main profit model.

The analysis of investment benefit is as follows:

### **(1) One-year teaching course**

The one-year curriculum includes math in primary school, math, physics and chemistry in junior and senior high school. If each tutoring cycle is 1 year, each class time is 3 class hours, a total of 150 class hours (75 class hours in junior high school chemistry), assuming 10 students in each class, the one-year course fee in primary school is 70 yuan / class hour; the one-year course in junior high school is 80 yuan / class hour; the one-year course in senior high school is 100 yuan / class hour; if one class is enrolled each year, the one-year income of the one-year course is:

1 one-year class in primary school: 70 yuan / class hours x 150 class hours x 10 people = 105000 yuan / year (mathematics)

2 Junior high school one-year class:  $80 \text{ yuan / class hour} \times 150 \text{ class hours} \times 10 \text{ people} \times 2 \text{ subjects} = 240,000 \text{ yuan / year}$  (mathematics, physical science)

3 Junior high school one-year class:  $80 \text{ yuan / class hour} \times 75 \text{ class hours} \times 10 \text{ people} \times 1 \text{ subject} = 60,000 \text{ yuan / year}$  (chemistry)

4 one-year class in senior high school:  $100 \text{ yuan / class hour} \times 150 \text{ class hours} \times 10 \text{ people} \times 3 \text{ subjects} = 450,000 \text{ yuan / year}$  (mathematics, physical science, chemistry)

(2) learn high-quality small classes 15 days in advance.

After summing up his teaching experience for many years, teacher Zhang, as an educator, reminds parents that it is very important for their children to build up confidence in learning. In particular, at the two key nodes of children's early and early ascension, let children adapt to the learning pace of junior high school and senior high school ahead of time, one step ahead of others, one step faster than school, so that children can build up confidence in learning immediately after entering school. If we can successfully cross this gap and carry out study smoothly in the new semester, it is likely to become an important node in children's learning career. To this end, we have set up a 15-day advance course for winter and summer vacations. The subjects to learn in advance are: mathematics and English in the fifth and sixth grades of primary school; mathematics and English in the first year of junior high school; mathematics, English and physical science in the second year of junior high school; mathematics, physics, English and chemistry in the third year of junior high school. Senior high school students do not have a new curriculum.

If each tutoring cycle is 15 days, and there are one winter vacation and two summer vacations a year, the income of this product is:

0 primary school advance class:  $70 \text{ yuan / class hour} \times 30 \text{ class hours} \times 4 \text{ subjects} \times 10 \text{ students / class} \times 3 \text{ periods / year} = 252,000 \text{ yuan}$  (4 subjects = Primary 5 Mathematics, Primary 5 English, Primary 6 Mathematics, Primary 6 English)

Junior high school advance class:  $80 \text{ yuan / class hours} \times 30 \text{ class hours} \times 9 \text{ subjects} \times 10 \text{ students / class} \times 3 \text{ periods / year} = 648,000 \text{ yuan}$  senior high school early classes:  $100 \text{ yuan / class hours} \times 30 \text{ class hours} \times 8 \text{ subjects} \times 10 \text{ students / class} \times 3 \text{ periods / year} = 720,000 \text{ yuan}$  (3) English characteristic courses

There are three classes in the special English course.

One among them, the junior high school English leading class is set up for one winter vacation and two summer vacations, each with two classes and a small class system of 10 students, then the annual income of the course is:

$70 \text{ yuan per class hour} \times 30 \text{ class hours} \times 10 \text{ students per class} \times 2 \text{ classes} \times 3 \text{ periods} / \text{year} = 126000 \text{ yuan}$

The core 1000-word class for junior high school English is set up for one winter vacation and one summer vacation, with two classes and 10 students in a small class, then the annual income of the course is:

$80 \text{ yuan per class hour} \times 45 \text{ class hours} \times 10 \text{ students per class} \times 2 \text{ classes} \times 2 \text{ periods} / \text{year} = 144000 \text{ yuan}$

Class 2000 of the senior high school entrance examination is set as one class every year, and each course has two classes, which will be opened during the summer vacation and will last until the winter vacation class. For the same small class of 10 students, the annual income of the course is as follows:

$80 \text{ yuan per class hour} \times 90 \text{ class hours} \times 10 \text{ students per class} \times 2 \text{ classes} \times 1 \text{ period} / \text{year} = 144000 \text{ yuan}$

(4) individuality teaching course of mathematics, physics and chemistry in senior high school.

It is well known in the industry that extracurricular tutoring in senior high school is not easy to do or do well. The take-off education teaching plan in high school cooperates with two senior mathematics and chemistry teachers, together with our teaching director Mr. Zhang, to form a strong and strong "iron triangle" of mathematics, physics and chemistry in senior high school, and launched the curriculum of the mathematical, physical, chemical and intensive class for famous teachers. the course fee is 120 yuan per class hour, and the teacher's salary is 50% of the income.

## 8.4 intellectual property

In the process of teaching or publicity, education and training institutions use other people's works or teaching materials and courseware compiled by other institutions or schools without permission, which may constitute an infringement on the copyright of

others. For the intellectual achievements such as teaching plans, works and courseware completed by institutional teachers in their work, the ownership and use of the copyright need to be clearly agreed in advance, otherwise it is very easy to form a red dispute afterwards.

In this regard, take-off education and training institutions should enhance their awareness of intellectual property rights, first obtain authorization when using other people's works, obtain the ownership or use of trademarks and logos through legal forms, and clearly agree with employees on the ownership of copyright in job works, actively develop their own intellectual property products, and improve the rights protection system.

## Section 9

### Financial Projections

On the premise of abiding by the relevant financial principles and making reasonable assumptions on the financial situation of the project, this chapter forecasts the basic data such as income, cost and expenses of the project; estimate and forecast the basic statements such as the profit statement, cash flow statement and income statement of the project, so as to analyze and evaluate the feasibility of the project investment.

The financial forecast data and analysis in this chapter are based on the following assumptions: first, the enterprise operation can be carried out smoothly according to the plan, and there are no uncontrollable factors leading to the sudden termination of the project; second, in the next three years, there will be no great obstacles to the national policy environment for the education and training industry. Third, the first three years of enterprise development are all periods of stable team and scale expansion, and shareholders agree that there will be no dividend in the first three years before the establishment of the company; fourth, the project tax is levied at 25% of the enterprise income tax, in order to simplify the calculation, the financial analysis and calculation of enterprise income and operating expenses will not take into account the impact of business tax and other additional taxes and fees.

#### **9.1 The Source of Project funds and the income Forecast for 2022-2026**

##### **-Source of venture capital**

The original investment of this business plan is 500000 yuan, which is jointly funded by three partners and raised according to the proportion of each person's shares. It is expected that the original investment of 500000 yuan will be successfully maintained for a year, and if refinancing is needed on the way, it will be decided by the three partners. A year later, the smooth development of the organization will launch a chain education point. If foreign capital is needed, the three partners of the company will consult and decide together. In principle, the number of partners will no longer increase. The capital contribution of the partners and the ownership structure determine whether the company can be established, grow or not, and the distribution of shares is also very important, which is the key factor to

determine how far the entrepreneurial team can go. As three partners with professional business knowledge, our equity allocation tends to be more scientific and reasonable. The most important principle of equity allocation of a company's shares is fairness, and perceived fairness is more valuable than really owning large shares. Our share allocation considerations are divided into two major items, one is the export of labor services, and the other is capital. The main consideration of labor services is how much resources can be provided for the development of the company. Taking the above factors into consideration, our share allocation ratio is determined to be: Chen Xizu 45%; Zhang Xrace 40%; I: 15%.

**Chart9- 1 Statement of equity allocation**

	Labor services (%)	Proportion (50%)	capital (万元)	Proportion (50%)	Total (%)
Chen Xizu	50	25	20	20	45
Zhang Xrace	40	20	20	20	40
I	10	5	10	10	15
<b>summation</b>	100%	50%	50	50%	100%

## 9.2 Hypothesis table

### 9.2.1 revenue forecast for the next five years

About our one-year course, due to receiving information that many parents do not know how to start with their children's learning guidance at the same time, our organization has launched high-end customized courses, general practice tutoring, on the basis of one-year courses, to provide customers with more personalized services, promising to protect children's learning. And tailor-made training programs according to the training direction of children, as well as the cultivation of children's personality development, such as tailor-made lessons on interest, leadership, communication, and so on, so as to maximize efforts for the development of children, is our consistent slogan. This kind of course is expensive, especially for people who have superior family

economic conditions and pay more attention to children's learning and personality development but have no time to take care of them for various reasons. One-year courses include primary school math, Chinese, English, junior high school math, Chinese, English, physics and chemistry. If each tutoring cycle is one year, each class time is 3 class hours, a total of 150 class hours, assuming that there are 10 students in a year, half of primary school students and half of junior high school students, the annual income of this product is:

One-on-one in primary school:

120 yuan per class hour×150 class hours×3 subjects×5 people=270,000yuan

one-on-one in junior high school:

150 yuan per class hour×150 class hours×5 subjects×5 people=562,500yuan

According to the one-year income statistics of the above four products, we get the following income statistics:

**Chart9- 2 Income Forecast of take-off Education and training institutions in 2022**

One-year income statistics					
Serial number	product line	serial number	specific course	annual income	remarks
1	One-year teaching curriculum	□	one-year primary school	105000	Mathematics
		□	one-year junior high school	240000	Mathematics、 Physics
		□	one-year junior high school,	60000	Chemistry
		□	one-year senior high school	450000	Mathematics、 Physics、 Chemistry
2	15 days in advance to learn high-quality small class courses	□	Advance class in primary school	252000	English、 Mathematics
		□	advanced class in middle school	648000	English, Mathematics, Physics, Chemistry
		□	advanced class in senior high school	720000	English, Mathematics, Physics, Chemistry
3		□	leading class in junior high school	126000	

	English characteristic courses	<input type="checkbox"/>	unior high school core vocabulary class Vocabulary class for senior	144000	1000 words
		<input type="checkbox"/>	high school entrance examination	144000	2000 words
4	senior high school math	<input type="checkbox"/>	intensive class for famous teachers in mathematics	3240000	
5	physics and chemistry courses One-to-one high-end customized curriculum	<input type="checkbox"/>	primary school one-to-one	270000	
		<input type="checkbox"/>	junior high school one-to-one	562500	
total				6961500	

The training products of our organization are different from those of other institutions to a certain extent. Through market evaluation and forecast, the publicity and teaching in the first year are very important to ensure the quality. However, it will take some time for the market to accept new products, so the enrollment results of the first year should be reserved, and the course capacity can not be saturated. Through our assessment and prediction, 50% saturation is achievable. So the revenue forecast for the first year should be half the ideal. According to the company's development strategy, the company will expand four teaching sites in Beijing in the second year and five more in the third year, that is to say, by the third year, the company will have 10 teaching sites. In the fifth year, the company has 17 teaching points. By the end of the fifth year, it will reach 25. If the chain operation expansion is carried out according to the model of the first tutoring point, the enrollment situation in the second year can be expected to reach 80%; in the third year, the ideal state can be achieved by strengthening publicity and publicity of teaching results. It will be over-profit in the next two years. The excess is 10% and 25% respectively.

The following picture shows the forecast income growth for five years.

chart 9-3 Income growth rate from 2022 to 2026year

Project	2022year	2023year	2024year	2025year	2026year
evenue forecast	3,480,750.00	27,846,000.00	69,615,000.00	76576500	87018750
income growth rate	0	7	1.5	0.1	0.14

### 9.3 Company estimated finance

In order to ensure the normal operation of the training institutions at the initial stage of its establishment, the total investment of the company in the first year was 500000 yuan, and the funds were raised through the contribution of shareholders. The plan for the use of startup funds is as follows:

chart 9-4 Schedule for the use of startup funds

Serial number	Project	capital (yuan)	remarks
1	equipment purchase	73,000	5 computers 18000 yuan; printer and fax machine 2 3000 yuan; 8 sets 30000 yuan for hanging air conditioning; 10000 yuan for 60 sets of desks and chairs in the classroom; office 10000 yuan for supplies, tables, chairs and sofas; 2000 yuan for two water fountains
2	Image decoration	50,000	doors and windows; partition; wall painting; interior decoration; Logo.
3	Books and equipment	2,000	purchase of books and materials; bookshelves,
4	housing rent	100,000	one-quarter housing expenses and rent

	and deposit		
5	Publicity expenses	50,000	printing and expenses of promotional materials
6	operating funds, staff salaries	220,000	consumables, management expenses, etc.
7	Website operation	5,000	website publicity and operation
total	500000-yuan whole	500,000	registered capital of 500000 yuan

The cost of training institutions is mainly composed of the following parts: teachers' class remuneration, staff salaries, venue rental, decoration and equipment purchase expenses.

(1) Teachers' remuneration for classes

According to the joint consultation of the partners, the teachers' salaries of take-off education and training institutions account for 40% of the total income, which is higher than that on the market, which is beneficial for start-ups to attract talents. Therefore, the teacher's salary for the first year is  $6,961,500 \times 40\%$  and 2784600 yuan.

**(2) staff wages**

According to the company's staffing, the company has four full-time staff, and other staff and teachers pay part-time wages, which are linked to the number of teaching hours or business performance. The marketing director is invested in labor services, and after consultation by the partners, the marketing director does not pay salary in the first year of the start-up of the company, and the same treatment as the teaching director in the second and third years. For each additional teaching point, there will be three additional staffing, one teaching point person in charge, one teaching assistant, one office staff, the salary of the person in charge of the teaching point is 4000 yuan / month, and the salary of other personnel is the same as the following

Chart9-5 Salary table of employees

Position	salary	remarks
chief executive	5000	the company buys social insurance and house fund, and the employee's salary increases by 20% in the second year.
office clerk	3000	
teaching director	5000	
teaching assistant,	3000	
total	16, 000	

### (3) venue rental and decoration expenses

According to the above curriculum, according to the five time periods per day, the venue teacher capacity of the organization must have six small classrooms and three one-to-one teachers to meet the use of the course. The area of the venue is about 300square meters, and the monthly rent is 20000 yuan.

Take-off education and training institutions plan to do a brand, standardized, standardized chain business enterprise from the initial stage, so they must have their own unified logo, LOGO, VI, so the possible cost of decoration is relatively high, so depreciation is calculated by straight-line method for decoration expenses in the income statement.

#### (IV) cost of equipment acquisition

The cost of equipment acquisition is also a large expense for startups, so it is depreciated over five years on a straight-line basis in the income statement.

Chart

9-6 2022-2026year Cost forecast table

expense items	2022year	2023year	2024year	2025year	2026year
institutional					
operating costs					
teachers'	1,392,300	11,138,400	27,846,000	3063060	3480750

salaries

staff salaries	228,000	935,400	1,582,680	2488872	3524520
venue rentals	240,000	1,200,000	2,400,000	4080000	6000000
depreciation expenses	58,000	290,000	580,000	986000	1450000
total costs	1,918,300	16 , 563, 800	32408680	10617932	14455270

Tabulation instructions: 1. According to the development plan of the institution, four teaching sites will be expanded in the second year, five in the third year, seven in the fourth year and eight in the fifth year.

2. The rental and decoration costs of each teaching site may be different, but the first teaching point is already located in a store with a relatively high rent in Beijing, so it is calculated on the basis of the first point.

3. For each additional sub-teaching point, there will be three additional staff, one supervisor and two ordinary staff.

#### 9.4 Cost forecast

The cost of training institutions mainly refers to publicity costs, management costs and financial costs. The funds of the institution are the partners' own funds, and there is no loan from the bank, so the financial expenses are ignored.

(1) publicity expenses

Publicity and marketing expenses account for 5% of the expected annual operating income, or about 350000 yuan, including other sales expenses such as commissions for marketers and advertising.

(2) Administrative expenses

The management cost of the training institution includes all the related expenses of the office management: equipment maintenance, water and electricity, consumables and so on. In the management expenses are advocated thrift, strict control, monthly related expenses of no more than 1000-yuan, summer (June-October) due to air

conditioning on, the electricity bill will be doubled. Consumables promote environmental protection, paper, writing pens and other recycling, the monthly cost of consumables is controlled within 2000 yuan. As the organization is newly created and all equipment is newly purchased, the cost of equipment maintenance is negligible.

Chart9-7 22022-2026 cost forecast table

Total expenses	2022year	2023year	2024year	2025year	2026year
operating expenses					
publicity expenses	350,000	1,750,000	3,500,000	5950000	8750000
administrative expenses	41,000	205,000	410,000	697000	1025000
total expenses	391,000	380,000	3,910,000	6647000	9775000

## 9.5 Estimated balance sheet

Unit: yuan						
Project	Serial number	2022year	2023year	2024year	2025year	2026year
Main business income	1	3,480,750.00	27,846,000.00	69,615,000.00	76576500	87018750
main business cost	2	1,860,300.00	13,273,800.00	31,828,680.00	9631932	13005370
sales expenses	3	350,000	1,750,000	3,500,000	5950000	8750000
administrative expenses	4	41,000	205,000	410,000	697000	1025000
financial expenses	5	0	0	0	0	0
asset impairment loss	6	58,000	290,000	580,000	986000	1450000
Main business profit	7	1,620,450.00	14,572,200.00	37,786,320.00	66944568	74013380
non-operating income	8	0	0	0	0	0
non-operating expenses	9	0	0	0	0	0
total profit	10	1,171,450.00	12,327,200.00	33,296,320.00	59311568	62788380
income tax	11	292,862.50	3,081,800.00	8,324,080.00	14827892	15697095
net profit	12	878,587.50	9,245,400.00	24,972,240.00	44483676	47091285

chart 9-8 Profit and loss statement Forecast of take-off training institutions in 2022-2026

Tabulation instructions: 1. Enterprise income tax is calculated at 25%

two. To simplify the calculation, some relatively small expenses, such as financial expenses, business tax and so on, have been omitted.

3. The income statement is simplified, omitting some items involving small amounts of money, such as other business profits, investment income, non-operating income, non-operating expenses, etc.

4. This income statement is based on the data forecast that the enrollment capacity of the first year is 50%, the second year is 80%, the third year is 100%, the fourth year is 110%, and the fifth year is 125%.

According to the above income statement estimates and forecasts, the profit in the first year is 878587.50 yuan, and after the chain operation is launched in the second and third year, the profit of each branch will be higher than that of the first branch store, so if it is successfully expanded to five teaching sites in the second year, the profit will reach 9245400 yuan; after ten schools in the third year, the profit will reach 24972240 yuan. After 17 campuses in the fourth year, the profit will reach 4448676 yuan, and after 25 in the fifth year, the profit will reach 47091285 yuan.

## 9.6 Cash flow forecast

chart 9-9 he fixed capital expenditure of the take-off organization to increase the point

Serial number	Project	capital (yuan)	remarks
1	equipment purchase	73,000	5 computers 18000 yuan; printer and fax machine 2 3000 yuan; 8 sets 30000 yuan for hanging air conditioning; 10000 yuan for 60 sets of desks and chairs in the classroom; office

			10000 yuan for supplies, tables, chairs and sofas; 2000 yuan for two water fountains
2	Image decoration	50,000	doors and windows; partition; wall painting; interior decoration; Logo.
3	Books and equipment	2,000	purchase of books and materials; bookshelves,
4	housing rent and deposit	40,000	
5	Website operation	5,000	website opening, website publicity and operation
total		170,000	

Tabulation instructions: The fixed assets required for each additional store. Increased by 4 in the second year, 5 in the third year, 7 in the fourth year and 8 in the fifth year

Unit: yuan					
	2022year	2023year	2024year	2025year	2026year
cash inflow	3,980,750.00	27,846,000.00	69,615,000.00	76576500	87018750
operating income	3,480,750.00	27,846,000.00	69,615,000.00	76576500	87018750
cash outflow	2,714,162.50	18,990,600.00	44,912,760.00	16448932	38647365
operating costs	2,030,300.00	13,953,800.00	32,678,680.00	9801932	13175270
sales expenses	350,000	1,750,000	3,500,000	5950000	8750000
administrative expenses	41,000	205,000	410,000	697000	1025000

Financial expenses	0	0	0	0	0
repayment of loans	0	0	0	0	0
taxes	292,862.50	3,081,800.00	8,324,080.00	14827892	15697095
additional working capital	0	0	0	0	0
investment during construction period	500,000.00	0	0	0	0
net cash inflow	1,266,587.50	8,855,400.00	24,702,240.00	60127568	48371385
cumulative net cash inflow	1,266,587.50	10,121,987.50	34,824,227.50	94951795.5	143323180.5

Chart9-10 Cash flow Forecast of take-off Mechanism from 2022 to 2026

Education and training industry is a relatively special industry, basically pay first and then attend classes, so it has a great advantage in cash flow control. Moreover, investment in education is a sum that every family is willing to spend, so there is no problem in terms of capital recovery. From the above picture, we can see that the operating cash flow forecast of take-off training institutions is relatively ideal.

### 9.7 Investment evaluation and analysis

$$ROI = \frac{\text{Average annual profit}}{\text{total investment}}$$

The initial investment plan of the take-off education and training institution project is 500000 yuan. According to the above financial calculation table, the average annual profit for the five years from 2022 to 2026 is 2533. Ten thousand yuan. The calculated ROI= of 51% (table below) shows that the project has a good level of return on investment.

Year	2022year	2023year	2024year	2025year	2026year
net profit attributable to shareholders	878,587.50	9,245,400.00	24,972,240.00	4448676	47091285
average annual profit (ten thousand yuan)	25,334,238				
investment cost (ten thousand yuan)	51				
investment profit margin	51				

Chart9-11 Investment profit margin 2022-2026 return on investment

## Appendix

This business plan comprehensively introduces the organization, products, environment, marketing, financial and wind insurance of take-off education and training institutions, uses a variety of management methods, and analyzes the internal and external environment of the project. formulate project marketing strategy, marketing plan and financial plan, identify project risks and formulate risk countermeasures. Through the study of this paper, the final conclusions are as follows:

The main results are as follows: (1) the analysis of the internal and external environment of the project shows that the market prospect of take-off education and training institutions is broad, there are good opportunities for this project, and the investment direction of take-off education and training institutions is correct.

(2) the financial analysis and evaluation of the project shows that the benefit of the project is remarkable, and it will bring considerable return for the education and training machine structure. The financial forecast shows that the feasibility of the project implementation is high.

(3) the risk analysis of the project shows that the project investment has a certain market risk, but through the prediction of the existing risk and effective control in advance, the risk can be effectively controlled.

Education and training industry as an emerging industry, in the future development will be more attention and investment by the government, this is a sunrise industry, but in the current context is facing opportunities and challenges. As an entrepreneurial education and training institution, at present, the number of chain enterprises in the education and training industry is growing steadily, the national chain brand is taking shape, and consumers' recognition of brand value is getting higher and higher. well-known education and training institutions are expanding rapidly and seizing the market, start-ups must do well their own high-quality courses in order to obtain their own living space and rapid development. Implement fine management, create a high-quality education brand, and take the mode of chain operation. Therefore, education and training institutions should persevere in their strategic goals in order to realize their educational ideals in the process of entrepreneurship and development.

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