



**TOR for Business plan development**

**JUNE, 2023**

**Mercy corps**

**Introduction**

**Mercy corps**

Mercy Corps is an international non-profit, non-governmental organization operating in the sectors of Sustainable Rural and Urban Development, Health and Nutrition, Emergency Response, Water and Sanitation, Economic and Market Development. The organization has been operational in Ethiopia since 2004 and has strategic focus on strengthening systems to enable Ethiopians to pursue livelihoods of their choosing. Mercy Corps employs a community-led, market-driven approach as it works with partners at the community, government, private, and research institution levels.

**LIWAY program**

Currently Mercy Corps in partnership with SNV, TechnoServe, and Save the Children International is implementing Livelihood Improvement for Women and Youth (LIWAY) project in Addis Ababa. LIWAY is a five-year program with additional two years of cost & no-cost extension which aimed at contributing to sustainable poverty reduction in Addis Ababa through improved livelihoods, access to economic opportunities and increase income of 257,000 poor people, of which at least 50% are women and 75% youth. To this end, as part of the LIWAY consortium organization, Mercy Corps is leading a labor market system and identified three strategic intervention areas, labor market exchange infrastructure/platforms, childcare/domestic duties and referencing/risk & trust, which are found to be very critical for the poor to get better access to labor market services, improved economic & employment opportunities, and thereby increased income.

**Childcare Intervention**

The childcare service, which is also called domestic/household duties was considered as one of the very critical constraining factors for low women participation in the labor market as it is perceived as the primary role of women to take care of children and execute domestic duties. These forced women to remain at home, unable to rejoin the labor force after giving birth and limits time required to go out for job search and actively participate in the socio-economic life of the community. As a result, women are struggling to exploit their potential and realize the aspired life, which will be finally translated into the improved wellbeing of her household and the community at large, if it’s achieved. To address these multifaceted constraints, LIWAY has partnered with four public institutions being Dagmawi Menilik Primary School, Nefas Silk Polytechnic College, Kokebe Tsebah Primary School and Entoto Polytechnic College and piloted public childcare modality. The public implementing partners are providing the service to both their employees and surrounding community to enable poor women to access affordable and quality childcare services. The objectives of the LIWAY program is to Enhancing Women’s Employability Through Childcare Service.

**Objective**

The objective for developing the Business Plan for the Public institutions childcare centers (existing and new) is to provide guidance on the operations of the system/structure. Specifically, the Business Plan will:

* Define the capacity of public institutions childcare centers (Schools and TVETs), capacity in terms of capacity building activities and other technical assistance (TA).
* Define the public institutions childcare centers (schools and TVETs) management structure and skill sets available and identify any skill gaps.
* Define the establishment and running cost of the public institution’s childcare centers (Schools and TVETs), broken down to the costs for the services provided.
* Define the market and the potential customers.
* Define the comparative advantage of public childcare to attract customers.
* Describe the business model, including the marketing strategy.
* Project the time to reach the break-even status (existing and new public childcare centers).
* Provide public institutions childcare centers (schools and TVETs) management structural modification, operational guidelines, and new skill set (if required) to meet the requirements of the business plan.

**Scope of Work**

Based on the objectives the consultant(s) will be required to provide an analysis of the present scenario(existing public childcare centers) and develop a detailed business, costing and marketing plan that is expected to provide overall direction to the public childcare centers operations making it sustainable, efficient and growth oriented in the long run. The plan should be time bound and show clear achievable targets within defined timelines. The Business Plan to have the following sections at the minimum:

1. Executive summary
2. Analysis of the services offered.
3. Analysis of the organizational status, skill sets, running cost (broken to the service) and gaps thereof
4. Analysis of the market and potential customers
5. Comparative advantage
6. Business Model and description of operation/s for the services
7. Costing for the services
8. Marketing strategy
9. Modified organizational management structure & new skill sets.
10. Projection of business returns over 5 years
11. Financial/funding needs till break-even status

The plan should also have a section on general guidance and preparation of an annual budget, 5-year projections of the following statements:

1. Projected income statement
2. Projected cash flow statement
3. Projected balance sheet.

A risk assessment, financial ratios and key performance indicators such as break-even, turn-around time, profitability ratios, payback period, rate of return on investment, liquidity ratios and stock turnover in order to have a better understanding of the financial and operational performance. A realistic service forecast including prices, service volume, timing, etc.

**Deliverables**

The expected end product of this assignment will be a (1) complete Business and Marketing Plan clearly detailing tasks and responsibilities of each actor within the systems; (2) a financial and operational plan; (3) and a plan for measuring performance and impact of the system.

**TIME FRAME**

The above deliverable must be completed within 30 working days and the consultant need to submit work breakdown with schedule.

**Qualification/Eligibility Requirements**

The consultant institute:

* Should be legally registered.
* Has a track record in engaging in similar engagement (developing business plan, marketing strategies, and operational plan).
* An organization that are not prevented from receiving donor and specifically EKN funds.

**Application & Submission Information**

* Interested and experienced companies are required to send a brief technical proposal, and company profile.
* Bidders should include full package of trade licenses and Tin Certificate.
* A complete budget breakdown for the mentioned work should be provided separately and in a sealed envelope.
* The financial proposal should be detailed enough and should include any professional costs, Material costs and relevant administrative and logistic costs related to the work.
* Technical and financial should be sent separately to

[**et-tender-questions@mercycorps.org**](mailto:et-tender-questions@mercycorps.org) OR

To Mercy corps Addis Ababa office, Yeka Sub-City, Kebele 08, House No. 377; Hayahulet, Tel. 011-1-110777, P. O. Box 14319 with reference “business plan development for existing and new childcares in Addis Ababa

* Application deadline is 27th of June 2023 5:00 PM.
* Applications sent by other email accounts will not be considered.
* Mercy corps reserves the right to reject this TOR fully or partially.