
Sustainability Report

Introduction

Thank you for your interest in receiving a free consultation and sustainability report from Julius' farm products and services. Sustainability reports are important because they review a business practices and operations in order to let shareholders and managers know not only of the positive things within their business, but also the negative areas that might go unnoticed or even miss opportunities. These reports highlight issues that could be preventing them from achieving even greater success!

Some sustainability reports can often have more negative feedback than positive. This is completely natural and in some cases managers or shareholders feel like they have not succeeded or failed because the report states several negative areas. Sometimes we overlooked the simplest things, sustainability reports are meant to highlight those issues that we might have forgotten or overlooked.

Based on the questions you answered we were able to come up the following report. We provided written reviews as well as a ranking system for your business on a score of 1-10(1 being the worst, 10 being the best) for each question. This report covers the following areas:

-
1. Your income vs the Regional average
 2. Your production vs the Regional average
 3. Resistance to market changes
 4. Utilization of Omni-directional income sources
 5. Business sustainability

Income Statistics

When looking at income statistics in order to determine whether or not a business is doing well compared to other business. The key factor in determining whether or not a business is making a decent income is to look at was called “GDP per capita” or “Gross domestic product per person”. This is a number provided to each country and determines the total value of goods and services produced per person within the country.

As of 2019 the average GDP per capita in Uganda was “642 US-dollars” or “2,300,000 Ugandan shilling” per person. To determine the income per person a business needs to take the “Total yearly income divided by the number of employees”.

- o If the number per person is less than the average, the business is not considered profitable or sustainable
- o If the number is identical or very close to the average the business is considered neutral
- o If the number is above the average is it is considered sustainable and profitable. The higher the number the more profitable the business is
- o Any number that is double the national average is considered to be extremely profitable and has a strong business foundation

Scoring the Income statistics of your business

- 6 points = Matches the national average

-
- 8 points = The business is above the national average
 - 10 points = The business is double the national average

Production Statistics

The most effective way to determine a farmer's production is based on of the average ratio of plants grown per kg of seeds used. The way this is determined is by what's called "plant to seed" ratio. By looking at the crop grown, a 1kg of seeds should produce an average number of plants per harvest. Most experts agree that 3 seeds per plant should be used in almost all cases.

To determine your ratio, you need to do the following: **"Take the number of seeds per KG and divide by 3"**. This then gives the maximum production per KG. Average yields are 60% of maximum production

- Cabbage

1kg of seeds produces a max of 63,000 plants and average of 37,800 plants

- Lettuce

1kg of seeds produces a max of 400,000 plants and average of 240,000 plants

- Maize

1kg of seeds produces a max of 2,600 plants and average of 1,560 plants

- Radishes

1kg of seeds produces a max of 46,600 plants and average of 28,000 plants

-
- Watermelons

1kg of seeds produces a max of 6,600 and average of 4,000 plants

Scoring the production statistics of your business

- 5 points = you produce the average
- Add or subtract 1 point for every 10% you are above or below the average

Resistance to market changes

One of the most important things when building a sustainable business is making sure that a business has a resistance to possible changes in the market. There are three main types of market changes that can affect the business. To determine whether or not a business is resistant to these changes. A company must look and rank these areas in terms of safety.

Buyer market changes

These are any changes that affect how many buyers the company has and how many products the company produces.

- 1 points = 1 buyer and 1 product
- 2 points = 2 buyer and 1 product
- 3 points = 3 buyers and 2 products
- 4 points = 5 buyers and 3 products
- 5 points = More then 6 buyers and more than 4 products

Labor market changes

These are any changes that deal with access to employee's or changes in wages

- 1 point = you can hire an employee within 1 week of needing to hire
- 1 point = you can hire an employee within 2 weeks of needing to hire

Operational Market changes

These include things such as buying seeds, tools, or other necessary items. Its important to have access to multiple places to buy the needed products to keep a business running.

- 1 point = at least 1 reliable source to purchase materials
- 1 point = at least 2 reliable sources to purchase materials
- 1 point = at least 3 reliable sources to purchase materials

Omni-directional strategies

One of the most important things in creating a sustainable business is employing omni-directional business strategies. Omni directional business strategies are the ability to make money through several different ways of selling a single product or services. Having multiple ways to make money or save money with a product helps to increase the sustainability of a business.

For example, let's say you grow maize.

- Selling to only middlemen or at the market is not always the best option. If the markets close, middlemen stop buying, or people can't buy in bulk your business might suffer.

With an omni-directional strategy you have more then way one to sell your product. These can include:

1. Are you selling to restaurants or hotels?
2. Can it you sell to a mill to produce flour?
3. Can you sell it to business that raise livestock as feed?
4. Can you recover the seeds and sell them to others?
5. Do you have the ability to compost and turn it into fertilizer?

Based on all the crops sold, how many ways do you currently sell your products:

- 4 points = All products have at least 1 buyer

-
- 6 points = All products have at least 2 buyers
 - 8 points = All products have at least 3 buyers
 - 10 points = All products have 4 or more buyers

Business sustainability

One of the biggest things that a business can and should do to make sure it's sustainable is to make sure that is a good partner to the community. If a business owner and their business alienate or upsets a large portion of the community, it is unlikely that the business will be successful long-term. That's why it's important for businesses to be good stewards of the community. People will only want to be employed, purchase products from, or recommend a company that proves they are worthy. One of the biggest things that business can do is promoting initiatives or by giving back to the community in some kind of meaningful way. These don't have to be huge charitable acts, but can even be small ones that show the community that the business cares.

Maybe your business donates a small portion of food to those who are hungry, maybe your business makes a small donation to the local church, maybe your manager or one of your employees visits one of the schools and helps to educate children, maybe your employees instead of working one day for your company instead spend one day working for a local initiative that helps to beautify the community.

The importance of business sustainability is that people and other businesses are more likely to support those and value those businesses that show that it's not just about the money, but it's about helping a community achieve success.

Hotels, restaurants, and even tourists care deeply about knowing that the businesses they support care about those in the community operate.

Scoring business sustainability

- If you do as much as possible give yourself a ten
- Feel like you can do more give yourself a 5

This is based on **YOUR** belief of how much you do for the community. Good Business leaders know if they are impactful or if they need to do more. This is for you to decide.

How effective are you?

Here is how to determine your business effectiveness. Using the chart below take the numbers from each section add them together.

0 = Highly unsustainable business and 50 = Extremely sustainable

Production statistics =

Income statistics =

Residence to markets =

Omni-directional strategies =

Business sustainability =

Total score =

As you read the chart remember that these are based on your answers. If you notice a really low number ask yourself, “***Why is that the case and how can I fix this?***”

Even if you have high numbers remember there is always ways to improve your business. Ask yourself, “***How do I go from an 8 to a 9***”. Sometimes the answer can be a new piece of technology or maybe a little bit of education.

We here at Julius farm products services are dedicated to helping others achieve the same success we enjoy every day. If you would like to attend a class, get some of our educational information, or request a consultant draw up business plans custom for your business, we offer low cost services to help those farmers who are working to achieve SUCCESS!!!