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**Executive Summary**

[Business and Creative Arts University] is a nonprofit academic institution based in Glendale, Arizona. The university caters to both undergraduate and graduate students offering them courses in business, creative arts, and culinary arts. The university is committed to providing the best quality of education with the skills and expertise of its competent faculty and management.

**Company Overview**

[Business and Creative Arts University] offers [2- and 4-year] business, creative arts, and culinary arts courses for undergraduate and graduate studies. The university currently holds a record of [50,000] students as of the start of Spring [2019] Semester. It records assets amounting to [7.5] million USD as of December [31, 2018]. The university employs [250] teachers and [50] non-teaching personnel with about [50%] coming from the local communities of Glendale, Arizona. It plans to open another course department by [2025].

**Mission Statement**

[Business and Creative Arts University] seeks to harness its students’ talents and skills by providing the quality of education that molds students, not only to become productive professionals in the workforce but also an effective and reliable citizen in the society.

**Core Values/Philosophy**

[Business and Creative Arts University] is dedicated to educating its students with integrity, respect, and courage as we strive for excellence and create a positive impact on the community we are serving.

**Vision**

[Business and Creative Arts University] sees itself as one of the leading academic institution in Arizona that provides the best quality of business, creative arts, and culinary arts education to its students within and outside the state.

|  |  |
| --- | --- |
| **Company SWOT Analysis** | |
| **Internal Factors** | **External Factors** |
| **Strengths** | **Opportunities** |
| * The only university in Glendale, Arizona that offers business, creative arts, and culinary arts courses * Accredited quality of education with the effective contribution of its professional and excellent educators | * The growing interest of students in business and creative arts |
| **Weaknesses** | **Threats** |
| * The tuition is highly expensive in comparison with community colleges and other universities in Glendale, Arizona. * The university area is rather small and lacks grounds and buildings for extra-curricular activities. | * There is a newly opened school in Glendale that mainly provides culinary arts education with tuition at a lesser price range. * The influence of existing accredited community colleges and universities |

**Business Concept**

**Product/Service Offered**

[Business and Creative Arts University] offers the following business, creative arts, and culinary arts courses as presented on the table below.

|  |  |  |
| --- | --- | --- |
| **Courses** | **4-Year/Undergraduate Programs** | **2-Year/Graduate Programs** |
| Business | Accountancy, Business Administration, and Finance | Economics and Global Financial Management |
| Creative Arts | Cinematics and photography, Fine Arts, Crafts, and Interior Design | Design studies, Media Arts and Sciences, and Creative Enterprise |
| Culinary Arts | Culinary Arts, Baking, and Restaurant Management | N/A |

**Benefits to Clients/Customers:**

[Business and Creative Arts University] gives opportunities to students within Glendale and other parts of Arizona for good quality education. The university offers tuition-free programs for students who are qualified to receive scholarship grants from the government.

**Target Customers:**

[Business and Creative Arts University] aims to gain more undergraduate students between the age of [20 – 28]. Furthermore, it also targets individuals from between the age of [29 – 40] who are interested to pursue graduate studies in selected business or creative arts courses.

**Market Analysis**

**Trends**

The recent decrease in the number of international enrollees in undergraduate programs during 2018 required both universities and colleges to be more economical and to minimize disbursements.

Students have been more frugal in spending for school-related and living expenses. In this regard, universities have built buildings within the vicinity of the university to provide low-cost food and housing facilities to upper-class and newly enrolled students.

Universities renovate the workspaces of the instructors, particularly, in the business course department to provide them comfort and ease as they are mostly coming from corporate environments and are used to modern style workspaces.

**Market Size and Revenue Potential**

[Business and Creative Arts University] plans to retain its position as one of the leading prestigious schools in Glendale, Arizona. The university currently has over [8,000] students as of the start of the Spring semester. The university will focus on encouraging high school students from all over Glendale and other cities in Arizona to apply for any business, creative arts, or culinary arts course next semester and increase the number of enrollees by [35%].

The university also plans to put more content on its website and to make it more user-friendly for those who will view it.

**[Business and Creative Arts University] Growth Forecast for [2019]**

|  |  |  |
| --- | --- | --- |
|  | **FY 2018** | **FY 2019** |
| Existing Enrolled Students | 20,000 | 30,000 |
| New Enrollees | 15,000 | 20,000 |
| Revenue | USD 5.5M | USD 7.5M |

**Competition**

[Business and Creative Arts University] recognize the Arizona Business School and the University of Glendale as its top competitors.

**Competitive Analysis**

|  |  |  |
| --- | --- | --- |
| **Company Name** | **Availability and Price of Academic Courses** | **Food and Housing Programs** |
| [Business and Creative Arts University] | Offers highly priced tuition for all business, creative arts, and culinary arts courses | Food and housing programs are available for new enrollees and upper-class students who are not from Glendale. Privilege included in the tuition fee charged. |
| Arizona Business School | Offers fairly priced tuition for business courses; does not offer other academic programs other than business | The university offers food and housing programs but is highly expensive. |
| University of Glendale | Offers fairly priced creative arts and culinary arts courses; does not offer other programs other than the ones mentioned | The university does not have such program offering to its students. |

**Strategic Key Performance Areas (KPAs), Goals, and Objectives**

**Legend:**

**Definition of Priority Levels**

**Priority Name Definition**

High Low Cost, High Impact   
Normal Average Cost and Impact  
Low High Cost, Low Impact

**Definition of Status**

Ongoing - The activity is on track/on schedule.

At Risk - There are issues facing the activity, but can still be resolved.

On Hold - A serious issue needs to be resolved before the activity can continue.

**KPA: Financial Sustainability**

Goal: [Business and Creative Arts University] will have a [25%] increase in its operating income for the first quarter of its fiscal year beginning January [31, 2019].

Objective: At the end of the first quarter, the university should gain about [150,000] USD increase in its operating income.

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| **Action Items** | **Responsibility** | **Target Date** | **Status** | **Priority** |
| Minimize the disbursement on selected operating expenses | President, VP Administration, and Finance | February 28, 2019 | Ongoing | High |

**KPA: Student Recruitment**

Goal: [Business and Creative Arts University] will gain more interstate enrollees for the Spring [2019] Semester.

Objective: The university will have [5,000] more enrollees coming from other cities and states.

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| **Action Items** | **Owner** | **Target Date** | **Status** | **Priority** |
| Send invites to students who have high scores during the standardized tests in various high schools in Arizona | VP Enrollment Management | February 10, 2019 | Ongoing | Normal |

**KPA: University Reputation**

Goal: Business and Creative Arts will be on the top [50] best universities in Arizona to enroll in by the end of [2019].

Objective: To reach about [80%] rating from educators and students in Arizona recommending the university as the best school to enroll in.

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| **Action Items** | **Owner** | **Target Date** | **Status** | **Priority** |
| Conduct a survey among high schools in Arizona | VP University Advancement and Public Affairs | March 1, 2019 | At Risk | Normal |

**KPA: University Faculty**

Goal: Decrease the number of instructors leaving the university

Objective: Provide avenues for instructors to exhibit their area of expertise to promote their professional development and encourage retention

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| **Action Items** | **Owner** | **Target Date** | **Status** | **Priority** |
| Create activities and programs for the university faculty to be engaged in | VP Academic Affairs | February 15, 2019 | Ongoing | Low |

**Management Team**

[Business and Creative Arts University] has a reliable board of trustees who provide strategic decisions for the welfare of all the stakeholders of the university. The university is headed by the president and assisted by the different vice presidents for the following areas: administration and finance, academic affairs, enrollment management, university advancement and public affairs, student affairs and university maintenance. It has a competent and experienced faculty and plans to add more qualified educators to teach the students.

**Financial Details**

|  |  |  |
| --- | --- | --- |
| **[Business and Creative Arts University]** | | |
| **Balance Sheet** | | |
| [USD $] | | |
|  | **2018** | **2019** |
| **Assets** |  |  |
| Current Assets: |  |  |
| Cash | 3,575,000 | 6,005,000 |
| Accounts Receivable | 1,500,000 | 1,800,000 |
| Prepaid Expenses | 525,000 | 625,000 |
| Inventory | 700,000 | 715,000 |
| Total Current Assets | 6,300,000 | 9,145,000 |
|  |  |  |
| Property & Equipment | 750,000 | 905,000 |
| Goodwill | 450,000 | 475,000 |
| **Total Assets** | **7,500,000** | **10,525,000** |
|  |  |  |
| **Liabilities** |  |  |
| Current Liabilities: |  |  |
| Accounts Payable | 1,275,000 | 1,625,000 |
| Accrued Expenses | 900,000 | 855,000 |
| Unearned Revenue | 1,500,000 | 1,800,000 |
| Total Current Liabilities | 3,675,000 | 4,280,000 |
|  |  |  |
| Long-Term Debt | 500,000 | 550,000 |
| Other Long-Term Liabilities | 270,000 | 290,000 |
| **Total Liabilities** | 4,445,000 | 5,120,000 |
|  |  |  |
| **Shareholders' Equity** |  |  |
| Equity Capital | 1,950,000 | 2,900,000 |
| Retained Earnings | 1,105,000 | 2,505,000 |
| **Shareholders' Equity** | **3,055,000** | **5,405,000** |
| **Total Liabilities & Shareholders' Equity** | **7,500,000** | **10,525,000** |

|  |  |  |  |
| --- | --- | --- | --- |
| [Business and Creative Arts University] | | | |
| **Cash Flow in [USD $]** | | | |
|  | For the Year Ending | 12-31-2018 | 12-31-2019 |
|  | Cash at Beginning of Year | 2,500,000 | 3,575,000 |
|  | Cash at End of Year | 3,575,000 | 6,005,000 |
|  |  |  |  |
| **Operations** |  | **2018** | **2019** |
| Cash receipts from | |  |  |
|  | Customers | 3,500,000 | 5,000,000 |
|  | Other operations | 2,000,000 | 2,500,000 |
| Cash paid for |  |  |  |
|  | Inventory purchases | -325,000 | -425,000 |
|  | General operating and administrative expenses | -500,000 | -550,000 |
|  | Wage expenses | -2,500,000 | -3,000,000 |
|  | Interest | -750,000 | -750,000 |
|  | Income taxes | -950,000 | -1,000,000 |
| Net Cash Flow from Operations | | 475,000 | 1,775,000 |
|  |  |  |  |
| **Investing Activities** | |  |  |
| Cash receipts from | |  |  |
|  | Sale of property and equipment | 300,000 | 200,000 |
|  | Collection of principal on loans | 500,000 | 800,000 |
|  | Sale of investment securities | 250,000 | 350,000 |
| Cash paid for |  |  |  |
|  | Purchase of property and equipment | -150,000 | -300,000 |
|  | Making loans to other entities | -500,000 | -650,000 |
|  | Purchase of investment securities | -150,000 | -100,000 |
| Net Cash Flow from Investing Activities | | 250,000 | 300,000 |
|  |  |  |  |
| **Financing Activities** | |  |  |
| Cash receipts from | |  |  |
|  | Issuance of stock | 950,000 | 850,000 |
|  | Borrowing | 350,000 | 650,000 |
| Cash paid for | |  |  |
|  | Repurchase of stock (treasury stock) |  |  |
|  | Repayment of loans | -350,000 | -475,000 |
|  | Dividends | -600,000 | -670,000 |
| Net Cash Flow from Financing Activities | | 350,000 | 355,000 |
|  |  |  |  |
| Net Increase in Cash | | **1,075,000** | **2,430,000** |
|  |  |  |  |
|  | **Cash at End of Year** | **3,575,000** | **6,005,000** |