Academies Australasia Research Paper

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Executive Summary

Academies Australasia is one of the leading education providers with teaching excellence, which offers English language courses, Senior High School, Singapore Government School Preparatory Certificate, Diploma, Advanced Diploma, Bachelor and Master degree courses.

We have campuses stretched across Australia, including Sydney, Melbourne, Adelaide, Perth, Brisbane, Gold Coast and Dubbo. Additionally, we operate a college in Singapore providing Australian-standard courses. The qualifications we offer exceed 230 for about 14,000 students, who come from over 122 countries, making a diverse student population with a unique learning experience.

Academies Australasia Group Limited has been operating for more than 108 years and has been listed on the Australian Securities Exchange for more than 39 years. We always seek opportunities to give students relevant practical experience. For instance, we arrange work placements in different paid internship programs.

Quality is our primary focus in everything we do. Our courses are accredited nationally and developed in partnership with industry and professional associations, which include Central Queensland University, Blue Mountains International Hotel Management School and California State University, Monterey Bay in the USA.

We are honoured to mention that 3 of our colleges have Vet Student Loan scheme approval, while the domestic market continues to be competitive. We have a competitive advantage over our international competition, such as USA, UK and Canada, as we are attracting more aspiring students to seek further education in Australia due to geopolitics happening globally.

The consolidated profits for the financial year of 2017, after accounting for income tax and interests, amounted to $3,041,000, showing major improvement compared to the losses of 2016.

Business Plan Summary

The Business:

Academies Australia was established in 1908 operating for more than 109 years. The Group has been registered on the Australian Securities Exchange with hundreds of shareholders for about half a century. As an education provider, we function with more than 14,000 students all over our campuses. Each campus is succeeding with its unique qualities and environment, offering excellent opportunities to students.

The Group is dedicated to quality education and student satisfaction. All faculty members are passionate about brilliant reputations from other leading universities and real-world expertise from work experience in real businesses and industries. Our primary objective is to produce world leaders who are confident and competitive in the real world of obstacles with a challenging, rewarding and friendly environment.

We are positive about our prospects and continuous improvement in our quality of education, attracting thousands of students. We seek to grow our network of 18 colleges in 5 states in Australia and Singapore to Hobart, Tasmania, opening a new campus and exploring new opportunities. In addition, our unmatchable educational services will be available to a larger number of students.

The Market:

The domestic market is full of competition and a few setbacks, such as the replacement of the VET Fee Help with Vet Student Loan, which the students and parents will take time to adjust to. On the brighter side, the international market is favorable for Australian universities as competitive countries like USA and UK have developed strict migration policies for international students. The political stability and welcoming environment attract many international students who are major contributors to our annual profits because international students increase diversity, and such a unique atmosphere attracts local students to be a part of the international community while staying in the comfort of their country.

The Future:

The firm seeks future developments and expects potential growth in the educational sector. We plan to allocate more attention and resources to international business, particularly in Agriculture, Nursing and Hospitality.

Academies Australasia will extend its educational services to Hobart with the establishment of a new campus in the area. The campus is expected to attract students from around the globe and from the city of Hobart.

The Finances:

The finances required for future developments and growth will be collected through external sources such as loans from finance-providing firms or banks. These loans are going to be long-term and paid as soon as the campus generates profits. The new campus is expected to return its investment in less than five years.

Business Plan Timeline:

The Organizational Structure and Operational Plan

Business Details (New Campus):

Academies Australasia is planning to expand a new campus in Hobart, Tasmania. The new campus will offer vocational education qualifications. The Group will stretch its excellence in educational services to the new area. It will operate with brilliant teachers and faculty members coming from different parts of the world and exceptional reputations.

Registration Details:

Academies Australasia has 12 of its colleges registered on the Commonwealth Register of Institutions and Courses for Overseas Students (CRICOS). The Hobart Campus will also be registered on CRICOS to make it suitable for international students.

Business Premises:

Academies Australasia has campuses located in Sydney, Melbourne, Adelaide, Perth, Brisbane, Gold Coast Dubbo, and Singapore. The new campus will be situated in Hobart, Tasmania.

Organizational Chart

Management and Ownership:

The company is managed by Chairman Dr John Lewis Schlederer and Group Managing Director Christopher Elmore Campbell.

Human Resource Policies:

Employees are selected based on their range of skills, experience, diversity and commercial expertise to ensure their success in the organization. When an individual is selected as an employee in the firm, it is based on their skill set and ability to enhance the efficiency of the organization.

Strategic Planning

Environmental Scan:

Hobart, Tasmania, is a suitable place for a new campus offering vocational education. There are over 30,000 students, including 5,200 international students. Most of them are potential customers for the new campus. About 100,000 residents, students and visitors are always in the city who can be potential students or workers at Academies Australasia. The beauty of the city attracts many tourists yearly. Students desire to study and live in Hobart.

Economic Profile:

Hobart has a young population with a median age of 39. The great population of Tasmania of 509,965 is expected to be attracted to the city of Hobart due to the new campus. The high number of working population will be hired on lower wages, increasing the profits for the firm. The property in Hobart is cheaper, and large land space is available for a new campus to establish. The high number of businesses, restaurants and other services provided in the area is also an attraction for international and out-of-state students. Hobart has experienced major developments recently, shown in the figure below ("Development," n.d.).

Legal Constraints:

The law affects almost all areas of business activity, including marketing, production, employment, relationships with customers and competitors, and even the establishment of the business itself. Academies Australasia will have to go through a similar legal process and registrations for the new campus as they did for the previous successful campuses.

Firstly, for establishing their university, they will need approval from the Australian Higher Education Committee according to the acts of the Higher Education Support Act 2003 (PMC, n.d.-b), Educational Regulation (NI) (Infrastructure, n.d.), Higher Educational Provider Guidelines 2012 (PMC, n.d.-a) and Education and Training Legislation Repeal Act 2017 (Training, n.d.).

When it comes to offering educational services to international students, the legislative framework is dominated by the Education Services for Overseas Students (ESOS) Act, which provides the legal work for protecting the reputation of the Australian Education System. The National Code of Practice for Registration Authorities and Providers of Education and Training to Overseas Students 2007 sits under ESOS, which is a set of national standards that protects overseas students enrolled in education providers registered on CRICOS. An institution must be registered on CRICOS to legally provide education to international students (Australia, n.d.).

Market Analysis

Market Research:

Market research is essential to every business and new idea or launch. To reduce the risks associated with new products and ideas, it is important for the marketing team to study the market, analyze the potential customers, estimate the demand for the product and cater to the needs of the market.

For the campus opening in Hobart, the marketing team carried out extensive research on the surroundings of the campus and the demand for a quality education provider. Thousands of students in Hobart seek a higher education degree that can help them flourish in the future and become leading entrepreneurs. Academies Australasia aims to provide such excellence to these potential customers.

Most of the research data is collected from secondary sources that are reliable and credible to use. On the other hand, some research is created through primary research by the marketing team. They prepared questionnaires for schools in the area near Hobart, as well as conducting an online survey for international students. The results of the survey and research were favorable for the establishment of a new campus, showing that most high school students wanted a university environment that has a high diversity and helps them develop their social and real work skills.

Market Target (Product, Price, Promotion and Place):

Product, price, promotion and place are the four key decisions involved in a marketing mix. These have a major influence on the success of the product or any new idea.

- Product:

The idea of the new campus in Hobart comes into the category of product. The purpose of the product should be to serve customer needs. The requirement of a new campus is highlighted through the research done by the marketing team. This proves the success of the launch.

- Price:

We aim to offer brilliance at an affordable tuition. The goal is to make quality education available to a majority of the population. The annual tuition fee will be around $18,000. The campus will adopt promotion pricing and offer scholarships and financial aid for the first five years.

- Promotion:

The launch of the new campus will be promoted around the globe to attract students from every part of the world. We will make announcements at our existing campuses, spread awareness through television ads, make our application forms available in different schools and colleges, and register on Common App. To attract more applicants, the application fee will be removed for the first five years.

- Place:

Hobart, Tasmania.

SWOT Analysis:

SWOT analysis is a tool used to gather information on the current situation of an organization. Different elements of the situation are evaluated within the categories of Strengths, Weaknesses, Opportunities and Threats.

- Strengths:

Academies Australasia has an exceptional human resource, from the directors to the managers and to the faculty members at different campuses. These teams work hard and are dedicated to offering excellent quality of education to its diverse student body.

- Weaknesses:

The new campus lacks finances for the establishment. There is a possibility that the research performed by the marketing team lacks credibility. This could lead to the failure of the new campus. However, the managing team is focusing on promotions.

- Opportunities:

The increasing number of students coming to Australia for further studies is a great opportunity for Academies Australasia to attract global students and increase the student body.

- Threats:

The Department of Immigration and Border Protection has been rejecting many visas, including student visas, which is a problem for Academies Australasia as we are losing potential international students. On the other hand, the domestic market is very competitive.

The Future

Vision Statement:

Academies Australasia will be a leading education provider globally, with Hobart Campus as a major contributor to the community.

Mission:

Academies Australasia will cater to the learning and education requirements of students from around the globe.

Goals and Objective:

We aim to make our students excel in the real world and become inspiring leaders. The goal is to list among the top universities in Australia and globally.

The Financial Plan

Academies Australasia has made extraordinary profits in the financial year of 2017. The long-term liability has also decreased. However, it will require big investments for the new campus. The following are the forecasted financial statements for Academies Australasia.

Balance Sheet Forecast:

BALANCE SHEET	2018
Current assets	$2224
Cash	$13,634
Trade and other receivables	$13,715
Other current assets	$8,123
Investments	$3,970
Fixed assets	$48390

Trade and other receivables	$2,224
Plant and equipment	$9,307
Deferred tax assets	$3,839
Intangible assets	$33,020
Total assets	$87,832
Current/short-term liabilities	$34,555
Tuition fees in advance	$24,323
Trade and other payables	$6,090
current tax liabilities	$1,230
Borrowings	$462
Provisions	$2,450
Long-term liabilities	$13,202
Borrowings	$4,948
Provisions	$8,254
Total liabilities	$47,757
Net Assets	$44,557

Equity	
Share capital	$50,677
Share option reserve	$198
Accumulated losses	-$6,760
Foreign Currency Reserve	$34
Non- controlling interests	$408
Total Equity	$44,557

Forecasted Income Statement:

Forecasted Income Statement For 2018				
Academies Australasia				
Revenue				
	Operations		$ 64,000	
	Student and Teaching costs		$ (24,000)	
	Net Sales		$ 40,000	
				$ 40,000
Expenses				

	Personnel Expenses		$ 13,000	
	Premises Expenses		$ 10,000	
	Other Administrative Expenses		$ 3,500	
	Construction Costs		$ 4,000	
	Depreciation		$ 1,100	
	Income tax expenses		$ 1,340	
	Interest Paid		$ 550	
	Total Expenses		$ 33,490	
Other Income				$ 6,510
	Interest Received		$ 100	

	Net Income (Profit)			$ 6,610

Conclusion:

Academies Australasia is pleased to present a profiting year ahead and excellent prospects for the future and the success of the new campus at Hobart. The primary reason behind the progress of the Group is the hard work of the human resources and constant dedication to serve a great learning experience.

References

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