Case Study

King Edward VII College was established in 2010. The College is based in Melbourne CBD and offers a range of courses in management, marketing, human resources and international business. It currently has around 500 students enrolled across all of its courses.

The College is very popular due to its competitive pricing structure, innovative teaching methods and state of the art facilities.

Due to its success, the College plans to establish two additional campuses, one in Brisbane and one in Sydney within the next 6 months.

The College currently employs 24 staff members. That includes the CEO, a Marketing Manager and a Marketing Assistant, Human Resources Manager, Finance Manager, Administration Officer, IT Manager, Receptionist, Academic Manager, Student Services Officer and approximately 14 trainers.

A new Strategic and Operational Plan has been developed to guide the company’s direction for the next three years.

The company’s current ICT situation is as follows:

|  |  |  |  |
| --- | --- | --- | --- |
| **Hardware** | **Number** | **Software** | **Number** |
| Server HP/DELL 16 GB Ram 2.5 TB space and 2.5 TB backup | 1 | Windows Server 2008 R2 | 1 |
| Computer PC | 24 | Windows 7 pro |  |
| Computer monitor | 24 | Office 2010 Pro | 24 |
| Router | 1 | Enterprises System/ App Specific to company | 0 |
| Switch | 1 | Cloud Server / Online system and websites | 0 |
| Cables | Bundle |  |  |
| Wi-Fi Modems | 2 |  |  |

All workstations currently have the software as outlined above.

There is no cloud system in place and staff can only access data at work through their computers. A number of staff are expected in the near future to increasingly **work in multiple locations** due to the establishment of the new campuses.

Although the existing campus is state of the art, students often complain about the **WiFi** being slow or dropping out.

A budget of $15,000 has been allocated for an upgrade. You are the IT Manager and will be expected to coordinate the project.

Please note that the College requires that all IT products/equipment is tested and trialled before purchase. This will be dependent on the specific item.

Strategic & Operational Plan

20XX – 20XX

King Edward VII College

Executive Summary

Established in 2010, King Edward VII College is a Registered Training Organisation (RTO) that provides training to students in business and management.

Our principal purpose is to provide high quality training services to satisfy students’ needs.

Our training is nationally recognised and accredited to meet vocational and educational standards. Courses are designed by highly qualified staff with extensive industry and training experience to achieve teaching and learning excellence, flexibility and personal satisfaction.

We draw on our established relationships with industry and other stakeholders to ensure that our courses are appropriate to the demands of our clients and consistently meet their expectations.

Quality is maintained in compliance with the national VET Quality Framework and through our continuous improvement system.

A key objective is to develop the required knowledge and skills for clients to be job ready and competently undertake their chosen role in a wide range of business areas.

Mission

King Edward VII College provides high quality industry training that engenders participation and achievement.

Strategic Objectives

1. To be a leader in vocational education and training
2. To establish and maintain high quality infrastructure supporting clients and staff
3. To be well led, high performing, profitable and accountable
4. To develop our people and resources

Values

The core values underpinning our activities are:

* Sustain excellence in training and assessment.
* Promote innovation across all of our business operations.
* Be a collaborative and caring community.
* Embrace difference and diversity.
* Demonstrate integrity and equality of opportunity in all activities.
* Operate with openness and accountability.

Target market for services

King Edward VII College has two broad segments to its target market, consisting of people wishing to gain entry to the industry, as well as people already working in business and management who want to formalise or develop their skills.

Building effective leadership and management skills of managers has been identified as particularly important.

This has informed King Edward VII choice of delivery.

We also intend to capitalise on market needs for delivery of blended (classroom and online), as well as on-line courses.

There are many training providers in our sector and King Edward VII seeks to offer a point of difference through our competitive pricing structure, innovative teaching methods and state of the art facilities.

The Market

In 2017, an estimated 4.2 million students were enrolled in VET with an Australian training provider, representing almost a quarter of the Australian population aged 15–64 years.

In comparison, in the same year, there were 1.5 million higher education students enrolled with an Australian higher education provider, and 3.8 million school students enrolled in Australia.

For domestic students, 65.7% reside in major cities, 31.5% in regional areas, and 2.9% in remote areas.

Additionally, the number of international students studying in Australia increases steadily every year.

In May 2018 there were over 550,000 international students in Australia, an increase of 11% over the previous May.

31% of these students were from China, and 12% were from India.

However, there are approximately 5000 RTOs that currently exist within Australia, and this number is increasing also. This means that there is more competition for King Edward VII College.

Situation Analysis

|  |  |
| --- | --- |
| **Strengths** | **Weaknesses** |
| * Price, value and quality * Clear understanding of student requirements * Delivery mode suitable for client requirements * High quality learning and assessment materials * Committed to quality ethical practice * Ability to adapt to changing market conditions * Effective and practical policies and procedures * Competitive pricing * Friendly organisational culture * Level of available finance for investment | * Focus on business and management courses only * Substantial investment in Sydney and Brisbane meaning large financial outlay * Ageing workforce for senior management positions * High staff turnover of trainers * Difficulty in finding skilled trainers and assessors * Lack of leadership and management skills of existing workforce * Lack of diversity in workforce * Outdated ICT system |
| **Opportunities** | **Threats** |
| * Potential for offshore delivery * Target market experiencing growth * To target other States and Territories * Current portfolio of courses popular in target markets * Potential to apply for Government funding | * Changes in Industry legislation affecting students * Possible adverse effects of government policy changes * High level of competition from other training providers in relation to target market plus competition for staff * Instances of other RTO’s bad practice creating poor perception of training providers to clients * Predicted uncertainties in the world economy impacting level of demand for training * Low price courses offered by competitors * Failing to satisfy clients’ demands * Unskilled trainers * Ageing workforce |

Operational Priorities

The following table identifies the operational priorities we plan to achieve in pursuit of our strategic objectives.

| **Date** | **Priorities** | **Key performance indicators** |
| --- | --- | --- |
| Year 1 | | |
| April 20XX | Upgrade current ICT system to be faster, more efficient and sustainable and to ensure links between the multiple campuses to be established | ICT system meets needs of staff and students  Data can be retrieved via cloud access |
| June 20XX | Improve web site information to attract more students | 10% increase in students by June 20XX  Improve market share by 5% |
| July 20XX | Conduct annual internal audit | Audit conducted and continuous improvement identified |
| September 20XX | Develop and implement workforce plan | Workforce plan developed and staff informed of key strategies |
| Oct 20XX | Develop and implement a cultural sensitivity and awareness program for staff | All staff trained in cultural awareness |
| November 20XX | Implement staff performance management review system | Staff advised of new system and performance reviews conducted across the organisation |
| Dec 20XX | Identify suitable location for Sydney campus | Location identified and lease taken out |
| Year 2 | | |
| Jan XX | Provide information sessions showcasing the College (Melbourne and Sydney)  Fit out Sydney campus ready for student admissions in February  Interview staff for commencement in February | Identify at least 50 potential sign ups  Sydney campus ready for operation |
| March XX | Develop an on-line learning platform for all courses | All courses offered on-line by end 20XX  Increase student numbers by 12% |
| April 20XX | Identify suitable location for Brisbane campus | Location identified and lease taken out |
| May 20XX | Fit out Brisbane campus ready for student admission in June.  Interview staff for commencement in June. | Brisbane campus ready for operation |
| July 20XX | Conduct annual internal audit | Audit conducted and continuous improvement identified |
| November 20XX | Staff performance reviews | All staff performance reviews conducted |
| Year 3 | | |
| Feb XX | Undertake scoping study for possible offshore campus | Scoping study completed by June XX and decision made as to whether to proceed |
| July XX | Conduct annual internal audit | Audit conducted and continuous improvement identified |
| Nov XX | Staff performance reviews | All staff performance reviews conducted |

Marketing Strategies

Students make their RTO selection decisions based on the reputation of the organisation, quality of courses, pricing, employment options and personal recommendations, amongst other factors.

Our strong vocational emphasis and continual industry consultation will ensure our courses are appropriate to develop the skills and knowledge currently demanded by employers and students.

Our market decisions are based on extensive and continuous market research, targeting market segments and clients within industry. We collect our data from a variety of sources, including current and potential clients, VET and business sectors, competitors, media and government along with many others.

Market share development

We plan to increase our market share by:

* establishing two new campuses
* offering on-line blended learning
* providing face to face information sessions
* improving our web site
* continually improving the quality of service given to clients’ pre-enrolment, during course delivery and through the provision of support services while remaining price competitive
* focusing on the provision of courses required by industry
* maintaining effective communication channels with all stakeholders to ascertain industry requirements and then develop products and manage services accordingly
* continually improving communication channels with all our stakeholders, ensuring a flow of timely and accurate information to facilitate effective planning and decision making
* consistently satisfying individual client needs and demands at the same time as developing the knowledge and skills required by industry
* targeting identified growth markets with planned, market appropriate campaigns, employing a variety of promotional strategies and advertising media
* offering attractive fee structures
* continually improving the skills, knowledge and effectiveness of King Edward VII College management and staff through our commitment to training and development
* regularly reviewing the effectiveness of all our operations and making improvements when and where necessary.

Risk Management

The following section identifies the associated risks in pursuit of our strategic objectives and how we will deal with them.

Strategic Objectives

1. To be a leader in vocational education and training
2. To establish and maintain high quality infrastructure supporting clients and staff
3. To be well led, high performing, profitable and accountable
4. To develop our people and resources

|  |  |
| --- | --- |
| **Risk** | **Australian government changing policy in relation to industry** |
| * Accepting policy change will be a constant factor to manage * An understanding of this should be instilled in all staff * Develop ability to foresee and react quickly to change * Maintain effective communication channels with stakeholders * Diversification of source markets * Develop product range | |
| Related to Strategic Objectives: All  Responsibility: CEO & Administration Manager | |

|  |  |
| --- | --- |
| **Risk** | **Significant drop in cash flow** |
| * Identify operating costs as per future plans and past performance * Identify available finance * Efficient invoicing and debt recovery * Accurate income projections * Close monitoring of expenditure * Arrange overdraft facilities * Scenario planning | |
| Related to Strategic Objectives: All  Responsibility: CEO & Administration Manager | |
| **Risk** | **Failure to recruit planned number of clients** |
| * High quality delivery of all services * Swift reaction to feedback * Skilled, motivated staff * Attractive fee structures * Effective market research * Allocate finance for each market * Monitor performance * Take early corrective action if not meeting targets or expectations * Maintaining effective relationships with clients * Maintaining effective communication channels with all stakeholders | |
| Related to Strategic Objectives: 1, 2, 3  Responsibility: CEO | |

|  |  |
| --- | --- |
| **Risk** | **The world recession and the domino effect** |
| * Diversification of source markets * Target markets with strong growth forecasted * Monitor the economic trends * Regularly review performance in line with anticipated market conditions * Develop culture of accepting continual change * React quickly to change * Scenario planning * Maintaining effective communication channels with all stakeholders | |
| Related to Strategic Objectives: 1, 3  Responsibility:CEO | |

|  |  |
| --- | --- |
| **Risk** | **Over committing resources** |
| * Balance activities with the amount of finance available for investment * Financial planning * ICT systems * Monitoring of cash flow * Review invoicing and debt recovery system * Swift response to identified issues * Accessing financial advice | |
| Related to Strategic Objectives: 1, 3  Responsibility:CEO & Administration Manager | |

|  |  |
| --- | --- |
| **Risk** | **Adverse changes in market conditions** |
| * Effective communication channels * Continuous market research * Monitor new markets and overall recruitments trends for all market segments * Scenario planning * Develop working knowledge of potential markets * Networking * Maintaining effective communication channels with all stakeholders | |
| Related to Strategic Objectives: 1, 2, 3  Responsibility:CEO | |

|  |  |
| --- | --- |
| **Risk** | **Changes to relevant legislation** |
| * Emphasis on professional, ethical practices with all stakeholders * Staff training * Leading by example * Policy implementation and monitoring * Effective communication channels with all stakeholders * Ability to manage change * Managing available finance for re-investment | |
| Related to Strategic Objectives: All  Responsibility:CEO | |

|  |  |
| --- | --- |
| **Risk** | **Shortage of, and difficulty in recruiting, appropriate qualified, skilled trainers and assessors and other key staff** |
| * Development of workforce plan * Offer attractive salary packages, including full-time contracts to trainers and assessors * Development of further HR policies and procedures * Provide opportunities for career progression * Develop stimulating and enjoyable working environments * Commitment to training and development * Commitment to professional development * Succession planning to deal with ageing workforce | |
| Related to Strategic Objectives: 1 & 4  Responsibility**:** CEO | |

|  |  |
| --- | --- |
| **Risk** | **Failure to meet and manage client’s expectations** |
| * Accurate and timely communication with potential and current clients * Management of recruitment activities * Up to date ICT system * Continuous improvement system * Regularly review learning and teaching approaches, resources, structure and systems * Client management policies in academic and support services * Industry liaison * Reviewing effectiveness of communication channels with clients * Employing a continuous improvement approach to all operations * Continuous market research and action * Systematic feedback on management performance and personal reflection | |
| Related to Strategic Objectives: All  Responsibility**:** CEO & Administration Manager | |

|  |  |
| --- | --- |
| **Risk** | **Failure to comply with legislation** |
| * Consistently implement compliant policies and procedures * Continuous improvement system * Commitment to training and development * Systematic review of policies and procedures * Regular reviews of all operations | |
| Related to Strategic Objectives: All  Responsibility: CEO & Administration Manager | |

|  |  |
| --- | --- |
| **Risk** | **Competitors undercutting prices** |
| * Maintain competitive pricing policy * Monitor competitors’ prices and quality * Regularly review financial management models and processes * Continue focusing on quality * Continue strategy of quality brand promotion | |
| Related to Strategic Objectives: All  Responsibility: CEO | |

|  |  |
| --- | --- |
| **Risk** | **Failure to control expenditure** |
| * Effective financial planning and review * Co-ordination of activities * Systematic review of practice * Financial management and control systems * Facilities management * Implementation of efficient processes * Efficient procurement of products and services * Cost comparisons prior to purchasing | |
| Related to Strategic Objectives: 1, 2, 3  Responsibility:CEO & Administration Manager | |

|  |  |
| --- | --- |
| **Risk** | **Only providing business and management courses** |
| * Weighing the relative advantages of diversification and specialisation * Monitor recruitment trends in the market * Forecasting * Match new and planned courses to market demand * Cost benefit analysis * Developing reputation for being a specialist in business and management courses * Developing market share for delivery of business and management courses | |
| Related to Strategic Objectives: 1  Responsibility:CEO | |

|  |  |
| --- | --- |
| **Risk** | **Ineffective planning** |
| * Experienced management team * Continuous market research * Planning system * Organisation structure and systems * Regular review of structure, systems and procedures * External liaison * Maintaining effective communication channels with all stakeholders | |
| Related to Strategic Objectives: All  Responsibility:CEO & Administration Manager | |
| **Risk** | **Non-payment of course fees** |
| * Effective recruitment policies * Review of recruitment policies and market segments * Efficient invoicing * Attractive payment structures * Payment plans * Cash flow management * Timing of collecting fees | |
| Related to Strategic Objectives: 4  Responsibility:CEO & Administration Manager | |

|  |  |
| --- | --- |
| **Risk** | **Rate of growth in client numbers** |
| * Systematic review of systems and practice * Buying in knowledge and skills * Sourcing reliable market information * Strategic and operational planning * Review and, if indicated, amend management structure * Develop policies and procedures * Regular reviews of capacity and operation of all functional and curriculum areas * Good communication channels with stakeholders * Recruitment policy * Finance available for expansion | |
| Related to Strategic Objectives: 1, 3 & 4  Responsibility: CEO & Administration Manager | |

|  |  |
| --- | --- |
| **Risk** | **Unethical or unprofessional practices of staff (when employed)** |
| * Staff selection processes * Staff monitoring systems * Previous experience of managing staff * Swift reaction to feedback * Termination of agreements * Maintain currency of market recruitment trends * Maintain relationships with HR organisations | |
| Related to Strategic Objectives: All  Responsibility: CEO & Administration Manager | |

|  |  |
| --- | --- |
| **Risk** | **Small staff team** |
| * Identify and source potential casual staff to call on in times of sickness and holidays * Planning for holidays and leave * Maintain relationships with HR organisations * Offer incentivised pay structure for casual staff | |
| Related to Strategic Objectives: All  Responsibility: CEO & Administration Manager | |

Workforce Development

Over the duration of this plan it is projected that student enrolments will increase at least 10% per annum. It is anticipated that the increase in enrolments will be accommodated by employing extra human resources. Appropriately qualified and experienced training and assessment as well as support and administration staff will be appointed.

Enrolments will be monitored on an ongoing basis and a formal review of this plan will be undertaken every six months. During review the management will decide if the levels of human resources are appropriate for the level of enrolments.

Trainers and assessors as well as administrative and support staff will be employed part time on casual contracts initially. However, as it has been difficult to find appropriately skilled trainers and assessors, it is hoped to offer at least two full-time contracts in the near future.

Lack of skilled trainers and assessors is a key issue. Key skills required are high level knowledge and skills in adult learning and the design and development of assessment tools.

The following criteria will be employed as a guide for deciding the level of human resources compared to enrolments. These projections are a guide only and may be adjusted through time.

|  |  |  |
| --- | --- | --- |
| **Enrolments per month** | **Number of training and assessment staff (FTE)** | **Number of administration and support staff (FTE)** |
| 1-50 | 1 | 0.5 |
| 51-100 | 1.5 | 1 |
| 101-150 | 2 | 1.25 |
| 151-200 | 2.5 | 1.5 |