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Info 320

Executive summary

In the strategic plan, we were trying to find a way to improve the profits of the information system department at VCU. We need to find a way to get more teachers to teach in our own department instead of ones from different departments within the school. I first started off with trying to determine credit hours for each semester in 2017 and 2018 school years. I found out that there was a total of 2996 students in IS undergraduate classes in 2017 school year. Which gave them a total of 8988 credit hours because every information system class 200 level and higher are 3 credit hours. In the 2018 school year, there was a total of 2914 students. The total credit hours for this year was 8742. Next, I created a model to predict our credits for the next 5 years using a 7% growth rate. In 2019, there was a 4% increase from 8742 to 9354 credits hours. From 2020 to 2023 our credit hours will increase by 7 percent with our credit hours being 10009 for 2020, 10709 for 2021, 11459 for 2022, and 12261 for 2023.

After, determining the credit hours for the next 5 years, I created a Profit/Loss model based on the 7% growth rate for undergraduate classes. First, I had to find out what quantity of facility we had for each Association to Advance Collegiate Schools of Business (AACSB) Types. I found out that we had 4 SA, 4 SP, 0 PA, 3 IP, and 1 other in 2017. In 2018, we had 3 SA, 4 SP, 0 PA, 3 IP, and 2 Other. The numbers I found in 2018 for faculty managed to stay consistent for the next 5 Yrs. Next, I began to work on the model which included fixed cost, faculty cost, total cost, revenue and profit based off the 7 years I tested which was 2017 to 2023. Our Profit numbers were positive and steady increase every year. There was only one drip in profit in 2018 which decreased by 146,100 dollars but this due to 2018 having fewer credits than 2017. Our revenue managed to stay in the 3 million dollars range the whole time and is expected to be 4.2 million by 2023.

After, creating a model for 7 percent growth I decided to create P/L model for 7 percent growth but using AACSB requirements in 2021. These requirements were that we had to 40% of the facility had to be SA, 60% Had to be SA, SP, PA and 90% Had to be SA, SP, PA, IP. These changes made so that we had 8 SA Teachers, 3 SP teachers, and 4 IP teachers. Due to adding more teacher in these types increased our facility cost by 671,250 after 2021. Overall, this method ended up decreasing our profit when compared to our previous method but could be more profitable in the future in the long run since the profit was increasing in 2023.