

Feedback from University of Florida Warrington College of Business faculty in the Entrepreneurship and Innovation Center: <https://warrington.ufl.edu/entrepreneurship-and-innovation-center/>

Faculty Member #1:

At a high level are some thoughts regarding the New College Business Plan. I reviewed it as I would any start-up plan in our student competitions:

- I didn't see a clear problem outlined. What is the gap in the market? What is the unmet need? E.g. – demand for liberal arts education degrees is X and there is clearly not enough supply (or the supply (the current product) is not doing a good job serving the demand). This would be the most important thing for me and I would like to see that highlighted early on. What are the trends and is the market growing or shrinking, etc. (there was lot of contextual information early on that can provide some background, but hit me between the eyes with the problem in the marketplace!).
- I didn't see any customer data (Who is the market? How is it segmented? What size is it? All of this should tie tightly back to the problem being addressed.) They show enrollment growth, but where is it coming from?
- I didn't see any marketing (I didn't even see it in the P&L...maybe I missed it but it didn't look like it was highlighted). How are they going to reach the market (mentioned in the bullet above)...and tell a compelling story with a strong value proposition that differentiates/positions them with respect to the competition (which I also didn't see highlighted (both direct and indirect). I need to see how the dollars spent on marketing translate into the increase in enrollment (tie the marketing plan back to the revenue).

They had a lot of "product" (solution) information (here's what we'll sell – curriculum, facilities, programming, etc.) and they mentioned some points of differentiation. But if I were looking at this from the point of a view of an investor I would like a lot more detail on the points highlighted above. Is there a real opportunity or are they just looking to make the best of a resource currently in possession (maybe it's better to sell/ liquidate all the assets...if not, then what is the need being filled in the market...backed up with supporting data).

Faculty Member #2:

The Economic Argument (pages 10-12):

This entire section seems to be quite removed from the context of the remainder of the plan.

Speaking of which, the plan is lacking in sufficient information about the market/competition — both other liberal arts colleges (both in Florida & across the nation) and other undergraduate colleges (formerly called "community colleges") in Florida. Pages 14-16 and 58 mention the cost of other schools, but the plan seems to be lacking basic market research — especially in terms of three key players:

1. what their competition is offering & how they're funded ("competition" in terms of other liberal arts colleges in Florida, in the Southeast, and in the US as well as other colleges & universities in the greater-Tampa Bay / Sarasota area)
2. what the target market of prospective students and their parents are seeking in their college experience (parents are quite focused on career preparation and post-college job opportunities and I saw just one mention on page 63 of career prep)

3. what other key stakeholders, like faculty & staff, residents of the greater-Sarasota area, grads & alumni, past/current/prospective donors, etc. consider to be fruitful (revenue-generating) opportunities for the future of New College

A New Vision for Higher Education (pages 18-19):

The first 8 of the 10 bullet points in this section are what New has always done— only the last two bullet points are new.

Growth Strategy (the sections that begin with the term “Growth”, pages 31-38):

It seems that the plans to increase enrollment are focused entirely on the following:

-the Freedom Institute

-3 Academic Programs (Florida Institute of Marine Mammal Science, Master’s of Environmental Economics and Policy, and Master’s of Educational Leadership)

-brief mention of possible future initiatives on VC & AI

-brief mention of possible online programs for high school students, parents, and the community; potential for short-term travel-study programs (possibly to earn certificates), lecture series; considering ROTC

-athletics

... none of these seem to have the potential to sustainably drive high-margin revenues (or even low-margin revenues)

All of the ideas above (other than the brief mention of VC, AI, and online programs/certificates) seems entirely removed from:

1. how colleges & universities typically consider strategies for increasing enrollment
2. what students (and their parents) are seeking in undergraduate institutions
3. talent sought by employers in high-growth career fields

Typically when institutions of higher education are seeking to increase enrollment, they focus on offering high-demand degree programs (both in terms of student interest and high growth fields/careers), upselling their current students/alumni by creating offerings like one year master degrees, combined degrees, and online degrees and certificates that all appeal to wide audiences.

Better Student Experience (page 50):

This section only names facilities, food, and the addition of athletics... there is no mention of student engagement beyond athletics, in fact the section titled "Student Life, Co-Curriculars, Extra-Curriculars" says: "To significantly improve extra-curriculars, New College has launched a major initiative: an athletics program."

While Athletics (both participating in & watching) will appeal to some students (referencing the table on page 41, at most 36% of students might be involved in Athletics, so that means another 54% are not being addressed by growing athletics, it seems to be a significant missed opportunity to be mindful of the importance of growing opportunities for student engagement

Financial Stability (page 55+):

It seems perplexing as to how spending a total of \$416M, \$227M from direct state investment (as mentioned on page 82) can be justified on an institution that has a goal of enrolling 1,200 students/year (and is currently only enrolling 689, as shown on the slide deck, slides 3-4).

Overall:

-The plan & branding repeatedly refers to New College as “The Honors College,” what makes New an “Honors College,” especially given that they accept 75% of applicants?

-Given the proximity to IMG Academy, it seems like there may be a partnership opportunity there, to offer college credits to their elite athletes (they currently offer a limited selection of online courses in partnership with USF Sarasota-Manatee).

-The plan, in its current state, is not financially viable. However, there are likely opportunities for New College to become financially sustainable by leveraging ideas that were either marginally mentioned in the plan or were not mentioned at all, but would be apparent after engaging in conversations with key stakeholders. One such idea would be to extend the notion of becoming a destination campus (mentioned on page 65) to leverage New’s coastal location in north Sarasota & proximity to St. Pete to offer executive education and certificates for in the financial/business/investment/entrepreneurship industries, perhaps in partnership with faculty from with one of the top ranked business schools in the state (like UF), both in-person (providing luxury accommodations) and online.