

Developing Business Plan of Islamic Azad University (Case Study: Islamic Azad University-Neyshabur Branch)

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ABSTRACT

Recently, developing business plan is one of useful tools for achieving goals of organizations and familiarizing managers with strategies. The universities employ business plan in order to attract more students, or allocating resources efficiently. It is in regard to increasing student's tendency to academic education and competitive market. This is the first study that attempted to develop a business plan for one of Islamic Azad Universities. These are the key innovation in this research: Applying business plan software for developing target ways to achieve university objectives and time series technique for forecasting. One of the most important objective s of the research is based on following and identifying opportunities and resources that creating values. It also can be considered as a platform for programming and managing the strategies of Islamic Azad University Neyshabur Branch. The major outcome outcomes of this research including: Developing a plan balancing between goals and available resources. Investigating the overall goals, identifying the values and vision. Investigating and recognizing SWOT in business area of Islamic Azad University Neyshabur Branch. Investigating and establishing profitability guidelines for the university.

Keywords: Business Plan, Business Plan Software, Strategy, Islamic Azad University of Neyshabur.

Introduction

A business plan is an effective tool used by business to organize the goals and objective into coherent format. It can be defined as an operating a company on a paper. No matter the size or stage of development, companies use business plans to improve internal operations and describe the market business to positional

outside financier (Hormozi *et al*, 2001).In most companies, business plans are used at a minimum to: Set the goals and objectives for the company's performance. Provide a basis for evaluating and controlling the company's performance. Communicate a company's message to middle managers, outside directors,

lenders, and potential investors. (Kuber *et al.*, 1998). Of course, writing a business plan is not a guarantee that problems will not arise. But, with a thoroughly thought-out plan, a business owner can better anticipate a crisis situation and deal with it up front. Further, a well-constructed plan can help avoid certain problems altogether. All in all, business planning is probably more important to the survival of a small and growing company than a larger; more mature one (business guide, 1997). Aston in 1991 indicated to necessity of writing business plans for clinics and health programs. Another sample was about The European Library (TEL) project aims to give digital access to the combined resources of the national libraries of Europe, operating under the auspices of the Conference of European National Librarians (CENL). Because of the diverse nature and missions of the participating libraries, developing a coherent business plan was a significant challenge (Collier, 2004). Cook *et al.*, (2007) examined the role that gender plays in a microenterprise program (MEP) which focused on developing quality business plans. They found that, Women and men had similar program completion rates and similar overall business plan scores. However, women scored significantly better on the presentation of their plan to judges. Athabasca University's business plan was prepared for prioritizing the programs as follow:

- To secure funding for urgently needed teaching, learning and research, maintaining and expanding the university's technological infrastructure.
- To expand opportunities for research and publication through the creation of new research institutes and an open access Athabasca University Press.
- To develop new academic programs and courses, particularly in professional and

graduate areas, and to provide the support needed to maintain quality in rapidly growing programs.

To enhance marketing strategies and financial supports in order to attract in greater numbers the members of under-represented groups.

The University of Kentucky's business plan established to identify clear goals and explains a unique accomplishment in planning for the future among public higher education institutions, and as well, it showed the investments required to achieve them. The business plan of Islamic Azad University (Neyshabur branch) provides the possibility of comparing the present services with the expected services through the precise definition of the type of the business and through the study of the feasibility of the new ideas and services in line with profitability and provision of the cash current in view of the environmental conditions as a tool for guidance and measurement along the path of the progress of the university. Furthermore, this plan enables the university authorities to create the possibility of coping with the various problems and the hazards and dangers facing the university through the provision of an organized and systematic viewpoint. Since the most important goal is the marketing, creation, and preservation of the equilibrium between the goals and accessible sources of the university and since the results of this research is presented within the framework of the outputs of the business plan software we only point to the summary of the most important findings:

Critical Success Factors

These are factors, which lead the organization in to success or failure:

Having Effective and continuous communication with business, products and services units.

Equipping university's laboratories and workshops with new technologies.

Offering services educations in PHD courses.

Offering online services for target audience through the university website.

Staffing high experienced and expert academic lecturers.

Having close and friendly interaction among students, lecturers and staffs.

Promoting productivity and efficiency of employees working.

Providing enough spaces for developing and extending university buildings.

Identifying the main competitors

The main competitors of Islamic Azad universities are the Comprehensive University of Applied Science with 739 branches and Payam-Noor universities with 550.

Market share

Among the different units of Islamic Azad universities, Mashhad with 33 percentage has the largest share due to numbers of students. Neyshabur branch is the fifth after Mashhad, Birjand and Sabzevar and Ghochan with 7%.

Marketing Strategies

According to Michael Porter's strategies (the strategies of cost leadership, differentiation and focus), the Islamic Azad University marketing strategies divided in two groups:

Focus strategies

Increasing the quality of educational services.

Increasing financial support for students in higher education.

Differentiation strategies

Switching to virtual and distance education courses.

Extending new education field especially the new interdisciplinary fields.

Promotional Strategies

As the interviews, show publishing academic journals with 18% is the most effective tools for advertising among newspaper, TV ads and other advertising tools. The next ones are presenting articles and holding conferences due to branding and advertising. In addition, the following strategies are recommended:

Attendance of university lecturer in city social events and informing about students' development in academic and research area

Promoting the university brand, through activities such as working with other agencies such as housing and urban development, industry and trade centers.

Attracting famous professors from different universities of the country and granting special privileges to utilizing their publicity for attracting more students.

Internet advertising through University site.

Profit and loss

Among different majors accounting has the highest level of profitability while the midwifery has the lowest, during 2008 to 2010. data gathering shows the total Profitability of the university has been increased during 3 years.

Conclusion

In conclusion, the practical and managerial implications suggest in line with gaining higher incomes in view of the studies, interviews which have been carried out:

In view of the commercialization of the physical spaces of the university, we can

have parts of the university rented by the departments and offices, institutions, etc. These parts include the labs, physical training halls, and workshops, the spaces of the classrooms, amphitheaters, self-services, cultural complexes and mosques. In view of the commercialization of the research activities, we can point to the investigation of the feasibility studies and doing the professional consultative services and doing the research plans for the organizations and institutions in the city, receiving the orders for the projects of other organizations and the execution of them by the workforce employed by the university, expansion of the target markets for the commercialization of the research activities, plans or student theses (for example through creation of the department for idea purchase and sale idea in the website of the university), the provision of the possibility of the sale of the results and reports of the research plans and also the theses (for example through imitating the Irandoc website), the foundation and creation of the research offices for accounting and auditing for doing the accounting and auditing affairs of the organizations and active economic institutions in the city. In view of the educational affairs, we can point to acquirement of income through holding the long-term and short-term educational courses for the guilds, organs, institutions for the enhancing the abilities, expertise, skill of the manpower and ensuring them that enhancing their abilities can result in the enhancement of their output and performance and also attraction of the foreign students in the fields of study for which there is potential expertise and ability or for which there is much demand for example attraction of the students of the neighboring countries in the field of the Farsi language and literature. In view of the cultural affairs

,we can point to the cooperation and mutual contracts with other universities of the city and province for provision and sale of the books and journals, holding the department for the sale of the books for the students for the provision of the books required by the students and professors and investment in the field of the popular sports whose groundwork is absent in the city and the promotion of the special sports such as archery, squash and tennis due to the presence of the facilities in the university for public use. In view of the productive and manufacturing affairs, we can identify such fields as agriculture, cattle raising, foodstuff (food processing) industries which are potentially profitable and more investment on them as the research projects of the students to supply the market with these products. Also, we can take into consideration the workgroups composed of the eager and interested students along with the supervising professors for these projects. The university can give these facilities to the students after consideration of the special conditions and obligations of the students (for example the farms, greenhouses, cattle rising).

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