



Case Study – Private equity owned higher education organisation

Situation

Our client is a private equity owned, market leading higher education group, providing music degree courses. The education market has seen a rapid number of changes in recent times, generating a greater focus on the need to provide viable commercial propositions and products. Prospective students have become increasingly market savvy with much broader expectation levels for what is seen as a significant investment in 'buying' an education product.

Requirement

Deliver low-risk, accelerated growth through a small number of validated strategies. Achieve the required valuation multiple (through sustained demonstrable top & bottom line improvement) within a 30-month period, to provide an opportunity for a future profitable business sale.

Approach

Market data was obtained and analysed from a variety of sources including UCAS & CUKAS, to provide an objective means to scale the existing market opportunity and identify where diversification would open growth areas. A range of different market demographics were assessed and validated. Interview sessions were undertaken with existing & prospective students and key universities. Existing growth strategies were also assessed against this market analysis and feedback.

A shortlisted group of strategic growth options were reviewed with the leadership team, using a like-for-like assessment & rating. Three key strategic opportunities were identified based upon key meeting criteria, namely: low risk, market penetration scope, distance from core business, financial return & investment, benefit timing & ease of implementation. Those opportunities that were discounted will form a future roadmap for any new purchaser to drive further growth post-acquisition.

Detailed business cases were generated for the shortlisted strategic opportunities in conjunction with project delivery and change plans, to enable accelerated implementation once business case approval was granted.

Outcomes:

- U.K. operating centre opened within a new geographic catchment area
- Existing music degree course expanded to encompass business degrees
- New music-industry related degree course added into the portfolio
- Cohesive branding, marketing and lead management approaches were also introduced as a result of the engagement
- New student registrations increased by 21% within six-months

Support provided

- Primary & secondary market & customer research & analysis
- Strategy identification, assessment & validation
- Business case, project & change plan development