



WISCONSIN SCHOOL OF BUSINESS

VENTURE FUND



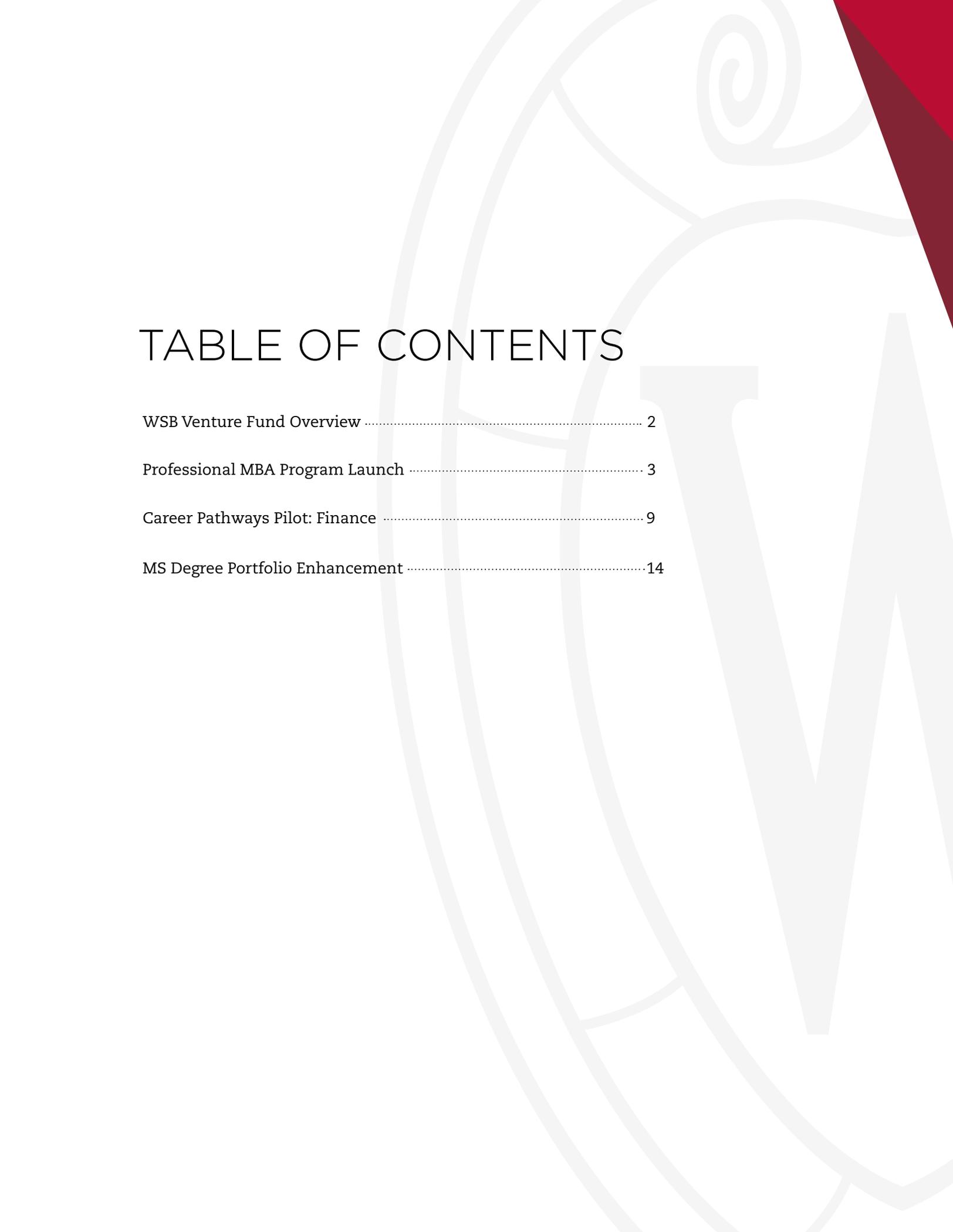


TABLE OF CONTENTS

WSB Venture Fund Overview 2

Professional MBA Program Launch 3

Career Pathways Pilot: Finance 9

MS Degree Portfolio Enhancement14



WSB Venture Fund

To establish the WSB as a global hub for Business Badger Lifelong Learning, we must evolve and enhance our portfolio to create more agile, accessible, and market-responsive learning experiences.

Building upon a well-tested industry approach to advancing innovation, the WSB Venture Fund will be a key driver of our strategic plan, Roadmap 2025. With a goal to raise \$2 million in charitable support in its first phase, the WSB Venture Fund will provide seed funding for mission-critical projects that help advance three primary objectives:

» Reputation

Position WSB as a renowned provider of cutting-edge business education by creating high-quality, on-demand learning experiences.

» Reach

Increase accessibility and customization of the learning portfolio, engaging new audiences, and creating opportunities for students to seek skills and credentials that best fit their needs.

» Revenue

Through the launch of new programs and innovation in delivery, WSB will diversify and expand revenue streams, creating more nimble and reliable revenue for reinvestment in our students and learning experiences.

To be considered as a funding priority for the WSB Venture Fund, each project must identify a WSB champion who will lead the effort. Each project must have an executive summary outlining the business case and how the project contributes to WSB's strategic plan. This summary must articulate how the project will deliver on at least two of the Fund's three objectives of reputation, reach, and revenue. Project leadership will also provide a projection of expenses, investment needs, and an exit strategy for the program's eventual sustainability.

Note: Philanthropic investments to the Venture Fund are charitable in nature. No monies generated by the supported programs will be returned to the donor(s), rather any program revenues that the school generates as a result of new initiatives will remain in the school.

As key partners in the School's strategic advancement, WSB Venture Fund donors will:

- Make a minimum philanthropic investment of \$100,000 in the raise of the fund
- Receive progress reports on funded initiatives at least twice annually
- Meet annually with other Venture Fund investors and WSB leadership to review existing investments and discuss future opportunities
- Be recognized in the WSB investor report and on the WSB website



TOGETHER
FORWARD®

ROADMAP 2025

WSB VENTURE FUND

Professional MBA Program Launch

Professional MBA Program Launch

Executive Summary

In pursuit of WSB's priority to build a market-driven graduate portfolio, and long-term aspiration to become a global partner in Business Badger Lifelong Learning, we propose a revamp of our current Evening MBA degree to increase flexibility, expand enrollment, and pilot innovations in the delivery of a modular program built upon digital badges.

Enrollment in the Wisconsin Evening MBA Program has persistently declined over the past five years. While this decline generally mirrors the recent national trend of part-time MBA programs, many of our peer schools' program enrollment are two to five times the enrollment of our evening program. This decrease in scale at WSB threatens program profitability and limits delivery of quality education to a broader population of lifelong education seekers. Our goal is to move enrollment numbers from the current enrollment of 60 students (two cohorts of 30) per year to three cohorts totaling 140 students per year by 2023.

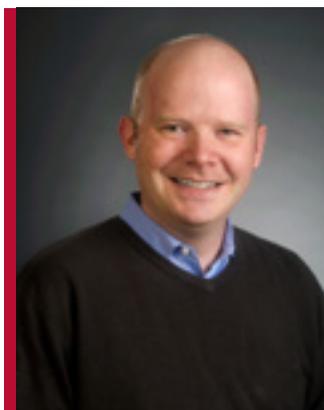
While enrollment for our part-time program has decreased, inquiries for the program have increased significantly since 2014, and the target population within Madison is growing as well. Through a large sample survey of our target population, we confirmed our hypothesis that the features of our current structure, which include only face-to-face instruction, a general management degree, weekday evening classes, and three-year completion within a persistent cohort is the lowest desired structure for our target audience. This supports the premise that many millennials with strong career prospects are unable to commit to a three-year, face-to-face program because their career advancement demands substantial travel and they see themselves as geographically mobile.

Our Proposal: Wisconsin Professional MBA Program

Responding to the most highly prioritized components identified by our target market, we are transforming the evening MBA program into a blended Wisconsin Professional MBA Program with the following features:

- Instruction 50% online
- Meeting face-to-face once monthly on a weekend
- Flexibility to be completed in as little as two years or as much as five years
- A modular program built upon digital badges that will allow students to customize their learning according to their career/learning interests
- Intake students twice a year, once in August and once in January

The modular platform design of the new program will enable content delivered within each “badge” to be easily added, removed, or resequenced, allowing for reasonable customization while maintaining overall scale. This model will add value within and beyond the Wisconsin MBA because it will (a) provide students with the opportunity to tailor their experience, (b) engage corporate clients through custom content, (c) loop in campus partners to provide specialized content, e.g. a tech MBA, (d) provide a platform for lifelong learning to engage our alumni, (e) provide ways of accelerating specific audiences into the program, and (f) foster content innovation by allowing faculty to cooperate in the creation of meaningful novel content.



Program Leadership

The proposal for the new Professional MBA was spearheaded by Enno Siemsen, Senior Associate Dean for Graduate Programs and Procter & Gamble – Bascom Professor in the Department of Operations and Information Management. After chairing the task force to research and design this new program, Siemsen ushered the proposal through many stages of governance review and now, with support from the MBA program teams, will lead the build and launch of this program.

Program Launch Investment

To create and launch the proposed Professional MBA program, we will need to create the blended curriculum of 50% online and 50% face-to-face, and the infrastructure from which to deliver it. This will require an estimated \$500,000 in seed funding to prepare and launch the program along the following dimensions:

- **Course conversion:** To convert courses that are currently offered 100% face-to-face, we will need instructional designers and faculty to work together to create an engaging and high-quality blended learning experience. Whether it is in developing video-based, narrated presentations, engaging discussion forums, or other online activities, an instructional designer provides technological support and pedagogical guidance to complement the content expertise of a faculty member.
- **Classroom infrastructure:** We currently do not have enough classrooms that are equipped with the technology needed to facilitate interaction between the instructor and online learners. We will outfit at least two classrooms with the necessary video and audio technology to provide a high-fidelity experience for all students.
- **Technology training and support:** Skilled individual(s) to provide training and support for a number of programs that will be leveraged to create an engaging virtual learning experience.
- **Learner support:** We will need to invest in new resources to support our students virtually, providing training and help desk support.
- **Marketing expenses:** It's critical that we solidly promote the reformatted program in our core markets, and develop a recognized presence in currently underrepresented regions.

Building this program within our current structure to replace a former program allows us to leverage many of the same student support resources already in-house that support the existing evening and executive MBA programs. We anticipate the added costs of the program at full scale will be approximately \$950,000 annually with an annual net profit of more than \$2.5 million. See enrollment and revenue projections chart at the end of this document.

Return on Investment

With sufficient support to build, launch, and market this new program, we anticipate the following returns:

Reach: We plan to launch the Wisconsin Professional MBA Program with its first class in Fall 2021 with a goal of 40 students. We plan to steadily grow our annual enrollment toward a capacity of 100 new students annually by fall 2026, thereby potentially increasing the reach of our previous program by a factor of 6, while also growing the diversity of perspectives we can bring into the classroom.

Revenue: Not only will the Wisconsin Professional MBA Program generate revenue that will enable it to sustain itself financially, this particular project will generate additional resources for overall school needs. At full capacity we project the program will generate more than \$2.5 million in profit annually, a 400% increase on the program it replaces.

Reputation: The innovative modular structure of this program is unique among MBA programs and is our first foray into creating an accessible, customizable platform to facilitate lifelong learning. We believe the platform built for this program will create capabilities to innovate within many of our other programs and establish us as a player, perhaps even a leader, in lifelong learning.

Milestones and Exit Strategy

With school and campus approvals now in hand, we will begin the process of building the program per the design specifications identified, namely redesigning the courses to suit a 50/50 blended online/live delivery. At the same time, we plan to begin marketing the new program this fall, aiming to enroll our first class in Fall 2021.

We plan to launch the program with a minimum of 40 (and up to 60) students in Fall 2021, allowing us to test and refine the model. We will begin to see a profit margin for the Professional MBA Program at a total enrollment of 100+ students, likely in its second year. Our ability to scale will rely on our ability to build a brand in Chicago. We anticipate growing the size of the entering class to 100 students by 2025. See enrollment and revenue projections table.

Wisconsin Professional MBA Program Enrollment and Revenue Projections

	2021	2022	2023	2024	2025	2026
Evening MBA program enrollment	111	70	30			
Professional MBA program enrollment		40	100	120	160	200
Current program costs	\$2,159,273	\$2,159,273	\$2,159,273	\$2,159,273	\$2,159,273	\$2,159,273
Added program costs	\$463,250	\$729,795	\$900,563	\$978,480	\$946,034	\$946,034
Total expenses	\$2,622,523	\$2,889,068	\$3,059,836	\$3,137,752	\$3,105,307	\$3,105,308
Tuition revenue - existing program	\$3,007,680	\$1,893,072	\$807,987			
Tuition revenue - new program		\$1,360,000	\$3,264,000	\$4,284,000	\$5,848,000	\$7,072,000
Tuition discounts/waivers	-\$270,691	-\$292,776	-\$366,479	-\$385,560	-\$526,320	-\$636,480
Campus assessment (10%)	-\$273,699	-\$296,030	-\$370,551	-\$389,844	-\$532,168	-\$643,552
Total revenue	\$2,463,290	\$2,664,266	\$3,334,957	\$3,508,596	\$4,789,512	\$5,791,968
Net profit/loss	-\$159,233	-\$224,802	\$275,122	\$370,844	\$1,684,205	\$2,686,660



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Career Pathways Pilot: Finance

Career Pathways Pilot: Finance

Executive Summary

In May 2019, the Department of Finance, Investment, and Banking assembled a task force to enhance career pathways to support students who desire a career in finance. This task force was convened to respond to the following trends:

- Increased demand from the finance industry for our graduates across many verticals, and most notably in niche areas such as investment banking, consulting, and sales and trading.
- The recruitment of finance professionals has become increasingly competitive. As a result, the timeline for recruitment (and time for preparation) has shifted dramatically in the past 20 years, with the recruitment process beginning as early as sophomore year.
- Student interest in a career in finance has increased dramatically as well. Finance is currently WSB's largest undergraduate major with over 1,200 students in pursuit. Along with this demand, we find that students enter the major with a wide range of knowledge and experience related to the fields of finance.

An assessment of our current finance student experience included a review of our curriculum, coaching and support, student-led co-curricular opportunities, and administrative functions. This review identified the following gaps:

Curriculum sequencing and integration of learning: Our current curriculum, originally built for students who join the school as juniors, does not prepare students early enough to help them both explore and adequately prepare for a particular career path in sync with recruitment timelines.

Inconsistent and insufficient career coaching and support: Students have inconsistent preparatory experiences based on the finance path they are pursuing.

Lack of applied programming: Many of our competitors have integrated applied learning activities with curricular and career support, whereas WSB currently relies on student organizations to facilitate career treks and other applied learning activities, leading to uneven access and often lack of preparation for the majority of students who might want to pursue a particular path.

Our Proposal: Launch Finance Career Pathways

Finance career pathways are designed to support a student's entire experience to help them identify and achieve their chosen career aspiration. Walking with the student from the moment they become a Business Badger, we will help facilitate career exploration, partner with them to select a schedule and sequence of courses that will adequately prepare them on the appropriate timeline, ensure the integration of coursework with important co-curricular experiences, and coach and mentor them in building their professional marketability. Building our career pathways requires investment of time and resources in three areas:

1. Refine and enhance curriculum

We are building a new Careers in Finance course for entering freshmen and sophomores to ensure that all finance students are aware of the pathways available to them and how to develop the appropriate skills in a timely fashion to be successful. Building upon this career exploration, we will create new course roadmaps that will help advisors guide students in developing an academic plan that supports their career interests. Based on these roadmaps, we will need to redesign course offerings and sequences in support of specific career pathways and hire additional instructional staff in support of high demand pathways. Examples of upgrades already underway include:

- The launch of a highly successful and popular online financial modeling module that any student can take at any point in their training
- A redesigned Investment Banking track to offer students a series of courses that they are encouraged to begin early in their time at WSB
- A revamped capital markets course to be taken in the first sophomore semester that prepares students to understand the language and organization of finance to ace their early interviews
- The planned introduction of a Python for Finance course starting Spring 2021 that will help our students stand out by showing a fundamental understanding of finance programming language.

2. Strengthen industry partnerships and industry-specific coaching

We have established a new Finance Program Director role within the finance department at WSB that will be responsible for implementing career pathways, connecting with employers, and providing student coaching and mentorship. In addition to the coaching provided by this role, new instructors will also support the coaching and mentorship of students. This strength in student coaching will be complemented by the growing alumni-led Badgers in Finance network, designed to strengthen our employer relationships in New York City and other finance markets.

3. Enhance access to co-curricular experiences and develop finance industry networks and experiences

Co-curricular experiences such as involvement in student organizations, career treks, case competitions, study abroad, and especially internships are critical components to a student's learning. We aim to provide financial support that will enable all finance students to participate in multiple applied learning experiences, ideally starting in their freshman or sophomore year. To support this learning and create interesting applied experiences, we will identify new, creative ways to engage our alumni/ employer population in helping our students explore various career paths, prepare for their chosen path, and develop long-lasting networks.



Program Leadership

We are delighted that our former Director of Career Services for the Undergraduate Program, Jamie (Marsh) Macias, has agreed to step into the role of Finance Program Director, bringing deep expertise and relationships from her years working to place students in the finance industry. Jamie will be a member of the finance department and will partner closely with Department Chair Erwan Quintin and the rest of the faculty and instructional staff of the finance department.

Program Launch Investment

To launch the finance career pathway and strengthen our career placement outcomes, we request \$750,000 spent over three years on the following investments:

- \$150,000: Support the new Finance Program Director with resources to create programming, mentoring, and coaching opportunities that help connect students with learning experiences and industry professionals throughout their student experience.
- \$450,000: Support the creation of new courses and co-curricular programming that will address increasing demand for finance majors and careers.
- \$150,000: Provide student experience funds to encourage all students to participate in experiential learning opportunities that will help them determine their career pathway and help them build the skills and network to successfully launch their career.

Return on Investment

With support to build and launch the finance career pathway, we expect the following returns:

Reach: Already the School's largest major, we expect future growth of the undergraduate program to bring even greater numbers of students interested in pursuing careers in finance. Not only will these pathways help to expand our capacity, we will also be able to be more nimble in supporting students interested in emerging career paths within the industry.

Reputation: One of three major initiatives toward the WSB goal of offering a top 10 undergraduate program is enhancing career pathways for students, ultimately enhancing the placement success of our graduates. The finance department is the first to pilot this new approach to helping our students navigate their career path. Based on our learnings from the effort in finance, we anticipate developing a model that we can replicate in other majors as well. Ultimately, success in this area will mean increased placement rates (currently 93%) and starting salaries (currently averaging \$68,000) for our graduates.

Revenue: While this program is not a revenue generator on its own, it is in support of growth in our undergraduate program over the next five years, which will generate more flexible revenue for the school to invest in innovation and expanding access.

Milestones and Exit Strategy

Our new Finance Program Director will be in place in September 2020. We will begin designing the Careers in Finance introductory course for launch in Fall 2021. We will use startup funds to launch innovations in coaching and applied learning space, especially to meet the need for virtual learning, coaching, and networking.

While the current pandemic will create new challenges in preparing and placing our students, we hope that our new pathways as well as investment in industry partnerships will begin to pay dividends and increase the number of students we are able to place in the finance field of their choice by 2023. After three years of funding, we expect the growth of the BBA will allow the finance department and School to absorb the ongoing costs for this program.

WSB VENTURE FUND

MS Degree Portfolio Enhancement

MS Degree Portfolio Enhancement

Executive Summary

New technologies and digital transformations are fueling a rising tide of volatility, uncertainty, complexity, and ambiguity in today's business environments. As a consequence, business professionals must continually upskill and reskill themselves to be resilient and adaptive. At the same time, technologies are catalyzing new educational models, presenting opportunities for accessible, flexible, and customizable means of learning and growth.

Business schools must respond to these transformational opportunities with nimble degree portfolios that offer on-demand modes of lifelong learning. These portfolios should address the skill needs of a diverse set of learners at varied points in their careers.

At the Wisconsin School of Business (WSB), we are well poised to respond to this demand. The reputational assets of our established programs combined with our strengths in applied learning build upon the multidisciplinary excellence of our campus and a deep bench of successful leaders among our alumni community. WSB will leverage these assets to establish leadership in emerging fields and transform the Business Badger Experience into a lifelong learning tradition.

Expanding Our Portfolio of Applied Master's Degree Programs

The WSB has grown new enrollment in our graduate portfolio by 36% over the last three years. With 358 students joining our programs in 2020, it is the largest entering cohort we've seen since the early 2000s. Our fulltime MBA had 96 students join its entering class in Fall 2020. We also enrolled 84 students this academic year in our portfolio of new master's programs in business analytics, supply chain management, and real estate. Our early moves to launch one-year master's (MS) programs have complemented growth and innovation in our MBA programs and have been in areas ripe for the taking.

Our MS programs serve many important strategic roles for the school. They attract a diverse set of students who will have opportunities to interact with and strengthen the broader WSB community. We will leverage these programs to attract high quality faculty who can build programs that tap into their expertise. In addition to offering undergraduates at UW-Madison new opportunities to differentiate themselves before joining the workforce, our MS programs can also serve as a pipeline to our MBA programs. Finally, the structure of one-year MS programs can serve as an excellent point of entry to partner globally with other UW-Madison schools and colleges on dual and blended degree offerings.

The immediate return on investment for our master's portfolio is the opportunity to create new sources of revenue that we can then reinvest in the school to attract diverse and talented faculty, staff, and students. We aspire to scale our existing programs and add new, high-demand degrees to grow revenue for our full graduate portfolio from \$7 million in 2020 to at least \$12 million annually by 2025.

Program Leadership

Enno Siemsen, associate dean of the MBA and master's programs, has led the launch of our MS portfolio, including building the administrative and programmatic infrastructure and piloting initial programs. To allow Siemsen to turn his focus to our new Professional MBA Program launch, we plan to identify an associate dean of lifelong learning by June 2021. This new role will report directly to the dean, and will champion our portfolio of specialty master's programs building scale and sustainability for the portfolio. The key responsibilities of this associate dean will be:

- Oversee the building and refreshing of curricula along with the requisite applied learning experiences for new programs
- Develop growth projections for specific master's programs to achieve overall revenue goals
- Champion digital and hybrid delivery models to scale programs in response to market needs for accessibility, flexibility, and personalization
- Develop marketing and student acquisition strategies for the MS portfolio
- Manage the administrative approval process to launch new degrees and courses

Program Launch Investment

We have had the opportunity to learn from the first few launches of MS programs in 2019 and also to capitalize on disruptions of 2020 to quickly understand the requirements to launch and grow a new graduate degree. In addition to confirming significant demand for one-year, applied master's degrees that target specific disciplines, we are seeing interest in both broad programs like business analytics as well as specialized tracks within, including digital marketing, insurance analytics, and supply chain analytics. We've also learned that to achieve scale in the audiences we serve and create a sustainable program, we need to strengthen our platform for virtual learning by better equipping our instructors with the training, curriculum design, and facilitation tools to create a meaningful virtual learning experience. These important evolutions have crystallized the strategy and requirements for building out a sustainable portfolio of MS programs. We are seeking \$750,000 in startup funds to launch and/or scale at least three MS programs. The startup costs to build, launch, and scale MS programs typically include:

- Program leadership to develop curriculum and establish industry partnerships
- Program marketing and scholarship funds to promote the new programs
- Investment in virtual learning tools to facilitate an engaging learning experience, including resources to help instructors modify their courses for a virtual format and tools that help facilitate engagement including online discussions, manage group collaboration, and enabling students to gather feedback.

Return on Investment

Reach: We expect to double enrollment in our portfolio of MS programs by 2025, with a target of at least 175 students annually. This growth in our master's portfolio will expand our footprint in high-demand disciplines, such as health care, technology and analytics, allowing us to reach new audiences who may not otherwise consider business education. We will also create access to high-quality virtual and hybrid learning experiences for students who do not reside in Madison. We have seen significant international demand for our MS in Business Analytics and we have heard from alumni that the strength in applied programs would be sought after in specific metro markets. For example, our MS in Real Estate could eventually launch a cohort in Chicago, L.A., or Atlanta.

Reputation: Rankings of one-year MS programs are becoming more common. WSB was pleased to be recently ranked #7 nationally among Business Analytics programs after enrolling its first class in 2019. A critical reputation-builder for any program is the ability to place students in industry-leading jobs. Our conversations with digital economy firms (Google, Amazon, Facebook, etc.) convince us that we can prepare and place students into jobs typically reserved for only a few schools. We also expect the cross-disciplinary potential of our graduate portfolio will be a point of differentiation and potential reputation builder for WSB and UW-Madison. Unique collaborations with campus partners can help us attract great students, industry leading corporate partners, and faculty at the forefront of their fields.

Revenue: Our graduate portfolio is the best candidate for us to create a long-term revenue stream for WSB. With market tuition set at approximately \$40,000 per student, each MS degree program needs to attract more than 30 students to generate sustainable profit. Our goal is to grow our MS program revenues by at least \$3.5 million by 2025.

Milestones and Exit Strategy

Each program launched will need to demonstrate it is on a path to generating a sustainable class size of at least 30 students by Year 3. We expect some programs will not meet that target and will not become part of our permanent portfolio. The flexible nature of Venture Fund dollars in this case will allow us to test the market and learn from our efforts. While there may be some failure to launch, the risk is minimal compared to the long-term reward for this investment project.