Wabash Center
For Teaching and Learning in Theology and Religion

The Dean and Program Risk Assessment

Israel Galindo, *Columbia Theological Seminary*

Blog Series: Theological School Deans
March 02, 2015
Tags: leadership | theological education | strategic planning

There appears to be hopeful evidence that the long recession is over and donor money is starting to trickle back into theological schools. Grant initiatives are starting to bloom (some very substantial), faithful donors are starting to fulfill deferred promises of financial support, and some are making new pledges. Recent conversations with seminary deans and presidents have been about happy news of donor-initiated incentives. As is sometimes the case, the donors have good intentions, but an unrealistic understanding of the mission and capacity of a theological school to fulfill the donor's vision and intent.

The truth is, it's hard to turn down a large gift from a donor who has the best of intentions. What sounds like an exciting opportunity to a seminary president or a director of donor relations can quickly become a headache by the time news gets to the dean---who often will be asked to implement the vision of the donor. The dean will then need to somehow machinate a way to fulfill its intent, convince Faculty to embrace the initiative, and find some way to "just incorporate it into the curriculum." On those occasions deans will do well to help key decision makers in the system understand four issues.

1. Understand the scope of the school's mission.

Theological schools are situated in the field of higher education. They are degree-granting institutions of higher learning. As such, they face constraints of accrediting agencies on almost every facet of their work, from governance, to personnel, to student services, to the shape of their curricular programs. The center of gravity of a theological school is its curricular programs, and most institutional decisions (from student recruitment to faculty hires) will revolve around that matrix.

Collaborative grants and donor-driven partnering initiatives are increasingly popular. Most efforts at collaboration fail, however, when a school attempts to work with an affinity partner that is outside the bounds of the mission related to its degree-granting activities, regardless of good intentions. Most efforts at partnering with groups or organizations that do not directly support the narrow focus of degree-granting curricular programs will soon become a distraction or a drain on the primary mission of the school. The smaller the institution, the truer this becomes.

2. Understand and assess the potential impact of large grants.

The rule of unintended consequences is part and parcel with grant initiatives. Sometimes the unintended consequences are fortuitously serendipitous, often, they are burdensome, sometimes, they are costly. The larger the grant, the greater the challenge of sustainability beyond the life of the funding. Large grants create enlarged infrastructure, often call for new staff hires, create additional administrative oversight, and engender additional program activities that immediately compete for resources, schedules, and time.

If nothing else, the dean can help identify the ways a large grant initiative will add additional work and activities to the current work and schedules that staff and faculty already carry.

3. Understand the need for strategic planning.

Too often donor-initiated gifts are not considered sufficiently in terms of their alignment and support of the school's strategic plan. As mentioned above, large gifts, especially unexpected donor-initiated gifts with program or activity-specific requirements, may not align with the school's current strategic plan. If accepted, the dean should anticipate some level of disruption to plans and current initiatives under development. Institutions will do well to put the breaks on moving ahead too quickly with implementation of unplanned donor-initiated enterprises.

Helping donors and administration see the value of a measured and strategic study and planning process to align new initiatives with the school's strategic plan will go a long way to ensure success and avoid liabilities.

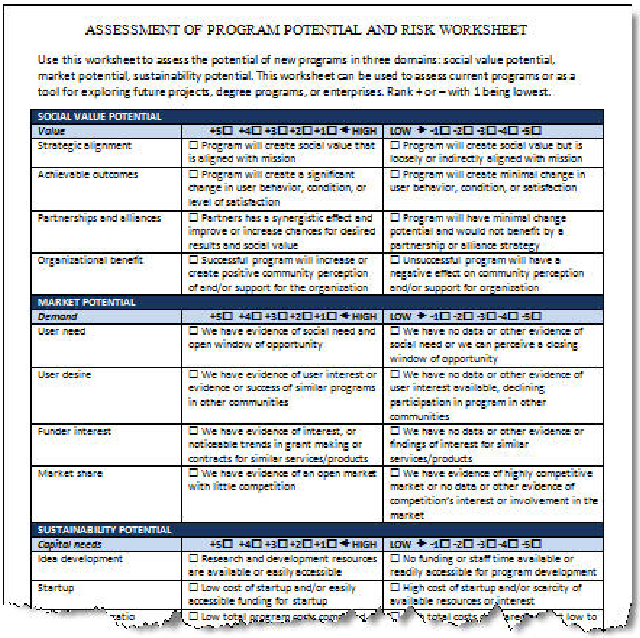
4. Understand the factor of acceptable risk.

Risk is the assessment of the probability, or threat, of loss, or any other negative occurrence caused by external or internal vulnerabilities. It is the calculation of the probability that an actual return on an investment will be lower than expected.

Part of factoring risk in a new venture includes clarity about the school's capacity to avoid it through preemptive actions. Another part of identifying risk is to avoid self-referenced decision making. This happens when an organization implements new programs or initiatives based on bias and the notion that it's a good idea just because we think it is.

A Program Risk Assessment Tool

The attached pdf ASSESSMENT OF PROGRAM POTENTIAL WORKSHEET can help the dean lead stakeholders to discern the appropriateness of a donor-initiated venture, a grant project, a new degree program, or a new academic activity. The worksheet will help decision makers focus on three critical areas of the non-profit enterprise: social value potential, market potential, and sustainability potential. The greater the number of items checked on the right hand "LOW" column, the higher the risk. The more items checked on the left hand column the greater the indication of readiness to launch into a new initiative with greater potential for success and acceptable risk.



ASSESSMENT OF PROGRAM POTENTIAL AND RISK WORKSHEET

Use this worksheet to assess the potential of new programs in three domains: social value potential, market potential, sustainability potential. This worksheet can be used to assess current programs or as a tool for exploring future projects, degree programs, or enterprises. Rank + or – with 1 being lowest.

SOCIAL VALUE POTENTIAL		
Value	+5☐ +4☐ +3☐ +2☐ +1☐ ← HIGH	LOW → -1☐ -2☐ -3☐ -4☐ -5☐
Strategic alignment	☐ Program will create social value that is aligned with mission	☐ Program will create social value but is loosely or indirectly aligned with mission
Achievable outcomes	☐ Program will create a significant change in user behavior, condition, or level of satisfaction	☐ Program will create minimal change in user behavior, condition, or satisfaction
Partnerships and alliances	☐ Partners has a synergistic effect and improve or increase chances for desired results and social value	☐ Program will have minimal change potential and would not benefit by a partnership or alliance strategy
Organizational benefit	☐ Successful program will increase or create positive community perception of and/or support for the organization	☐ Unsuccessful program will have a negative effect on community perception and/or support for organization
MARKET POTENTIAL		
Demand	+5☐ +4☐ +3☐ +2☐ +1☐ ← HIGH	LOW → -1☐ -2☐ -3☐ -4☐ -5☐
User need	☐ We have evidence of social need and open window of opportunity	☐ We have no data or other evidence of social need or we can perceive a closing window of opportunity
User desire	☐ We have evidence of user interest or evidence or success of similar programs in other communities	☐ We have no data or other evidence of user interest available, declining participation in program in other communities
Funder interest	☐ We have evidence of interest, or noticeable trends in grant making or contracts for similar services/products	☐ We have no data or other evidence or findings of interest for similar services/products
Market share	☐ We have evidence of an open market with little competition	☐ We have evidence of highly competitive market or no data or other evidence of competition's interest or involvement in the market
SUSTAINABILITY POTENTIAL		
Capital needs	+5☐ +4☐ +3☐ +2☐ +1☐ ← HIGH	LOW → -1☐ -2☐ -3☐ -4☐ -5☐
Idea development	☐ Research and development resources are available or easily accessible	☐ No funding or staff time available or readily accessible for program development
Startup	☐ Low cost of startup and/or easily accessible funding for startup	☐ High cost of startup and/or scarcity of available resources or interest

When considering whether or not to start a new degree program, a new concentration, a

Published by the Wabash Center for Teaching and Learning in Theology and Religion
301 West Wabash Ave, Crawfordsville, IN 47933
(765) 361-6047 (800) 655-7177 fax (765) 361-6051
Fully Funded by Lilly Endowment Inc. and Located at Wabash College

donor-initiated project, or a grant project, deans can serve their schools best by helping decision makers and influencers gain clarity about the school's mission, to give attention to alignment with strategic plans, and engage in assessing risk. The oft-quoted notion of "let's just try it and see if it works. It's o.k. if it fails," can be liberating. Some ventures, however, are too costly to warrant undue risk of failure.

https://www.wabashcenter.wabash.edu/2015/03/the-dean-and-program-risk-assessment/

Published by the Wabash Center for Teaching and Learning in Theology and Religion
301 West Wabash Ave, Crawfordsville, IN 47933
(765) 361-6047 (800) 655-7177 fax (765) 361-6051
Fully Funded by Lilly Endowment Inc. and Located at Wabash College