Innovation is a logical response to pressure. It is not surprising, then, that theological educators at ATS member schools have become innovative generators of new ideas. Many of those good ideas have found their way into some of the more than 60 petitions for new degree programs, experiments, and exceptions in the past year alone. But a good idea does not guarantee a sustainable business model. Before committing to a new venture, due diligence calls for a systematic process of planning and analysis. These steps do not have to be taken in sequence, but each one is critical:

1. **Identify the market segments the program will serve or target.**
   
   Who would be interested in this program? Think realistically in terms of geography, demographics, ecclesial identity, and vocational interests of the prospective student or client pool. Will the appeal be local or regional, or will it extend to a national or even global market? What demographic profiles will it likely attract in terms of gender, age, family status, income, education, and race? Is it geared toward a particular religious tradition or denomination? Might it attract the unaffiliated? What is the range of vocational interests of students who might be drawn to the program? Will they aspire to church or secular vocations, nonprofit or for-profit ventures, paid or volunteer positions?
2. **Articulate the program’s value proposition.**

What is so good about this good idea? What value is offered to the students or the communities they will serve? What problem does it solve? What powerful needs will it meet? What credential will be delivered? Is it better, cheaper, or easier than existing programs? Is it unique? What evidence (pilot projects, research, or similar efforts) is there that this program might work? In making these assessments, don’t be afraid to consider existing programs at other schools as your school’s pilot, keeping in mind that their variables may differ from yours.

3. **Assess and develop relationships with “clients.”**

What relationships already exist with students, faith communities, nonprofits, or other entities who might be interested in this program? Where are they? Who knows them? How can you reach them in adequate numbers? What might be the response rate? For programs geared at former students, what was the quality of those students’ prior theological school experiences? How can you repeat, build on, or improve upon those experiences? For schools that use the Graduating Student Questionnaires, the data gathered thereby might assist in this assessment.

4. **Determine strategies for delivery channels and pricing.**

How will the program be offered? One-on-one or in classes or groups? On campus or elsewhere? Face-to-face or online? What can you charge for it? What do comparable and competitive programs charge? Will it encourage levels of student borrowing that are too costly for the mission of the school?

5. **Evaluate internal capacities to deliver the program.**

What must be done to meet the value proposition? What must we learn to do exceptionally well? What resources will be needed in terms of educational capacity, administrative capacity, and student services? If we change staff and faculty assignments, what activities will be dropped or reassigned? What must we add? Are there key partnerships that will need to be cultivated with suppliers or recruitment networks?

6. **Calculate fixed, variable, and semi-variable costs and revenues.**

This calculation should ultimately lead to a determination of whether—and if so, when—the endeavor will break even. What are the fixed costs, those that will not vary with the adoption of the program or with the number of students or other “clients?” What are the variable costs directly associated with the program, such as facility rentals, honoraria for leaders beyond the regular faculty, materials, equipment, or travel and meals? What revenues can the program reasonably be expected to generate? Tuition? Fees? Donations? When will revenues exceed expenditures? Test various scenarios with
different numbers of students or “clients,” ranging from worst-case to best-case scenarios. How long will the phasing-in take? Can the school afford to wait for the net-positive revenues to begin?

7. Adopt objective, quantitative measures and program development milestones.

Among the sources for success metrics might be a financial dashboard and responses to the new program in terms such as website visits, inquiries, and applications. As it progresses, milestones might include goals or accomplishments, some sequentially dependent and others occurring simultaneously. For a new program, these milestones might include such items as faculty training, curriculum development, or marketing and communications activities, each of which contributes to the successful roll-out of a new program.

8. **Conduct regular assessment and revisions**

Even after the new program is launched, ensure that the program continues to meet the school’s mission and the needs of students by closing the assessment loop through regular evaluations, and then adjust accordingly.

A good idea is not a business plan. But thoroughly evaluated and implemented in a systematic way, it could just lead to transformation.

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**Action plans and program development milestones.**

Some sequentially dependent, others developed simultaneously.