Financial Evaluations of Programs and Projects: Trying to not Lose One’s Shirt because of a Good Idea

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Objectives

• Provide a quick, structured approach to evaluate the costs and benefits of degree programs and sponsored projects
• Introduce two spreadsheet tools that may help to evaluate projects and programs
• Incorporate your thoughts to further develop and refine the spreadsheet tools
Topics

• Data-Driven Decision Support
• Getting Good Inputs
• Sometimes Faster is Better
• Historical Data
• Validation and Feedback
Data-Driven Decision Support

- Your Gut is Not Designed to Make Decisions
- The Culture of Evidence
  - Validating Your Instincts
  - Using the Data You Already Have
- The Culture of Inquiry
  - Delivering an Answer No One Wanted
  - Delivering an Answer to a Question No One Asked
  - Encourage Inquisitiveness
Getting Good Inputs

• Transactional Data is All Around You
  – Challenges of Big Data
  – Is It Any Good?
  – What is Important?

• Internal Data

• Retrieve the Data You Already Have
  – Financial
  – Registrar
  – Financial Aid
Getting Good Inputs

• External Data
  – Census Bureau
  – Bureau of Labor Statistics
  – ATS
  – NACUBO
  – Denominational

• Be a Discerning Consumer of Information
Sometimes Faster is Better

• Data is a Perishable Good
• Analysis versus Over-Analysis
• Timely Decisions
  – Lead Time
  – Deadlines
Historical Data

• Looking Backward to Help You Look Forward
• Longitudinal Studies (Trends)
• Projections and Extrapolation (Best Guess)
• Correcting Factors
• Filtering Out Anomalies
Validation and Feedback

• Compare Your Models, Projections, Extrapolations to Actual Results
• Even If It Is Good, It Can Be Better
• If It Is Bad, Why Was It Bad?
  – Inputs?
  – Assumptions?
Questions

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