

# How to Budget for Curriculum

*Rosemarie Hsu, administrative director for the China Sunday School Association in Taipei, Taiwan, describes the factors that must be taken into account in the budgeting process.*

**C**urriculum products are very different from books. They must be created on time, usually in accordance with a quarterly or semi-annual schedule. A good curriculum will have rich content, varied themes, lively stories, arresting images and interesting games, all contributed by different authors. It must reflect research in numerous subjects and practical teaching techniques. Curriculum publishers must also create visual aids and other products to support the curriculum in the classroom.

Curriculum publishing is a long-term project. It demands careful budget planning and unwavering commitment, year after year. Some publishers distribute the product only after it is complete. Others start distribution whenever a new unit is finished. Each publisher uses different strategies and tactics in keeping with the unique market and culture it is facing, taking into account also its own financial and labour circumstances.

## **Market research**

Since consumers of curriculum are concentrated in churches, it is imperative for curriculum publishers to understand the specific needs of the different churches in their market. This includes each church customer's educational guidelines,

denominational stance, the design and structure of their Sunday School programs, the number and ages of potential attendees of the various classes, the course syllabus, resources for teaching, and so on. These items provide the clues that the curriculum designers will refer to as they map out the direction for the product.

Market research, or forecasting the demand, is a preliminary step to establishing a sales target. Seminars for teachers are one way to conduct market research and provide a good opportunity to interact with front-line workers, obtain feedback, and cultivate relationships. A thorough analysis of the data provided by teachers allows publishers to see how to maximize the effect of new products or how to work on making an existing curriculum a better fit. It allows publishers to more precisely estimate curriculum shelf life.

Research also enables publishers to overhaul the product in response to the curriculum policies adopted by competitors. Customer feedback may lead a publisher to explore possible alliances or to determine whether to develop new products or its derivatives. It can help a publisher decide whether to invest in new techniques, whether distribution is in good shape, whether the current subscription system is customer-



*Rosemarie Hsu attended Cook Communications' Financial Administration International Christian Publishing Institute held March 2000 in Colorado Springs, Colorado, USA.*

friendly, whether to develop new distribution channels and markets, and to evaluate other issues related to inventory and finance.

## **Promotion and sales strategies**

A comprehensive analysis of the market is the key to establishing accurate sales targets for curriculum publishing. Never establish only general targets for the products. Each product should have different financial targets at different stages. To set accurate sales targets (for

both volume and dollar value), the publisher must take into account each product's past performance, shelf life, growth trends, distribution channels, sales agreements, and so on.

Never indiscriminately adopt a sales plan from others. Each institution has its own unique growth pattern.

Think early about the promotion strategy, especially for seasonal products. Curriculum promotions can include advertising in newspapers, periodicals, magazines, as well as seminars and training courses. Since curriculum is a long term product, it requires ongoing promotion and publicity.

Overhead and management issues must be elaborated in the planning process. Other details to be addressed in the budget are the development plan, its execution, the division of the target market, the promotion strategy, pricing and discounts, the subscription policy, inventory management, payment on credit, collection of payment, and control of extra or unexpected expenditures.

### **Production costs**

Production costs for curriculum include personnel, manufacturing, storage and quality control. The production plan for a specific cur-

riculum product will, like a book budget, include the name of the product, its category, the quantity to be produced, and a chart to track the production progress and the cost. Salary expenses are recorded separately. The production plan should also consider the expected life cycle of the product, as this affects not only the quality and efficiency of production management, but also the sales performance and capital flow. Failure to manage production budgets well has especially grave consequences in curriculum publishing, since curriculum helps the church fulfill its mission with respect to Christian education.

An organizational production budget, combining information for all curriculum products, must include prepaid costs that are carried over from previous years for current publication (for production costs only), the names of planned publications and their respective cost (not including staff salaries), and the planned expenditures and incomes for the current and future fiscal years. Do not omit any detail related to freelance work, outside contracts, agreements related to overseas or postponed payments, or other expenses. Take care to also budget for staff development, on-the-job training, software upgrades, and equipment replacement.

### **Budget preparation**

Draw up a schedule for budget planning to monitor the progress. Use blank spreadsheets, templates, and printing schedules to create the budget planning schedule, with accounting and operations information in a single document. This will help those who participate in the budget planning process. Watch for those events that will interrupt the whole process and make adjustments accordingly. It is generally best to start devising the schedule six months before the preparation of organizational production budget actually takes place.

To do a good job in budgeting or making a yearly plan, staff in charge of finance must gather and sort information continuously, keeping themselves informed for better performance. Study the work flow of each department and the documents it produces. Analyze and adjust financial statements to show the information that will assist the organization in its planning and in perfecting its future operations. Provide honest and accurate accounting data. This will help an organization to focus on its competitive advantages and distinctives, and eventually, to increase its expendable capital. ❖



*The China Sunday School Association produces a bulletin for Sunday school teachers, The Good Shepherd, to support its curriculum.*