

Leading with a Business and a Ministry Response

What the Church Can and Must do in the Current Economic Climate

Here's the situation. Your giving to the general fund is down, not to mention missions and other special giving. Some of your people are losing their jobs, and many others are in fear of that happening. A few actually have to lay off their friends. Some are in industries like real estate where their income is down to zero. Others are developers who are fighting to keep from losing everything. All of them are watching their savings and retirement deflate in value. There's insecurity, fear, loss, and marriage and other relational stress.

God is up to something, and it hurts. The Church must respond because our financial survival depends on it. But the Church must also react because the ministry need and opportunity demand it. This is a time for real leadership. How can we lead with a business response that glorifies God by balancing faith, wisdom, and heart so that our business actions are really ministry initiatives? How can we lead with a ministry response that truly ministers TO our people's real needs at this time, while preparing them so we are ultimately ministering THROUGH them to others?

In my years in the church world, managing a large and growing church, and the corporate world, managing business operations, I have been through this situation many times. Every time, of course, is unique, and if it's your first financial downturn it feels like the earth has moved under your feet. However, in your specific situation there is an appropriate and right **leadership** response to the challenges and opportunities. Here are my thoughts on some of the major things church leaders should consider.

A Business Response

Your business response needs to come as soon as you are convinced you are looking at a trend and not a brief blip in the financial picture.

1. Communicate

Yes, your giving is down. The first thing you should do is communicate to your congregation what is happening and what your response will be (which we will discuss shortly). How you communicate this kind of news is usually a very tricky balancing act, because you run the risk of the congregation feeling they are not part of a "successful" organization. But this time is different. Everyone knows what is going on and that church giving is bound to be impacted. But you owe it to them to communicate the situation and potential impact in a calm, *we know God is in control but we still need to respond* way. That gives them the opportunity to make more informed giving decisions, and it models to them the kind of world view and appropriate response they need to have in this season.

Don't be like one church I know where the members first heard there was a financial crisis when the church eliminated several staff jobs.

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2. Forecast

You need to work out a new giving forecast. I know the question, “How in the world can we do that when none of the experts can forecast what’s going to happen?” The problem is that you just can’t move forward with any plan unless that plan starts with a giving forecast, and it IS Biblical (Luke 14:28). I recommend that you actually generate THREE forecasts, a *high case*, a *low case*, and a *medium case*. I’m avoiding the terms *best* and *worst* because in this world economy we really can’t predict the worst and in God’s economy we can’t predict the best. Look at your giving last year and the current weekly trend and then forecast the next 12 months out, regardless of where you are in your fiscal year cycle.

If you haven’t made a practice of budgeting your giving profiled by month (that is, every month you project a different amount to be given), now is the perfect time to start. You can look at your historical giving in each month and generate a typical profile. And to that, you now need to assume how the economy will change the typical pattern. No more guessing and explaining whether you are really ahead or behind based on whether it’s the winter or summer or fall. The profiled budget takes care of that.

Here’s something else most churches miss. Forecast ANOTHER YEAR OR TWO out. Personally, I always work with a 3 year forecast, which recognizes that each year is not an island but part of a continual and dynamic plan, and this leads you to better short-term decisions. Hopefully, this mirrors a long-term approach to implementing your vision, mission, and goals, as well.

3. Re-budget

Now we’re getting to the fun part, right? The word I most frequently have heard used for this process is “painful.” But it’s also a God-given opportunity to **re-focus** your ministry -- and each individual ministry -- to what is most important. If your new budget is to be aligned with your vision, mission, goals, and priorities, you can’t accomplish that with across-the-board, same percentage cuts. Now is the time for real leadership, and real leaders make hard decisions in hard times. In my experience, this has been a time when the leadership team had to truly BE a TEAM by working together selflessly for the good of the whole church.

During these times, it will be important to insure that your benevolence budget is built up to handle serious needs within your congregation and, if it’s one of your church values, needs of families in the community, as well.

The modified or new budget should be tied to the medium income forecast or less. The impact of multiple budget cutting is extremely negative, but the impact of adding more back to the budget later is very positive. So what do you do about the high and low cases? Make two lists, prioritizing what you will add to or subtract from the budget if the giving is higher or lower.

Of course, the expense side of the budget should be profiled by month, just as the income side.

Finally, make sure you build in adequate reserves in your budget planning. If you haven’t previously developed a policy for this, I would suggest you budget to end each fiscal year with 6 weeks operating expenses in the general fund. If you have had reserves, this may be the very time you are utilizing them; however, don’t neglect to budget to replace them within a reasonable amount of time.

In the area of execution, make sure you have adequate spending controls to insure compliance with this new budget. This includes purchasing controls, such as utilizing purchase orders with the right level of approvals. It also includes someone reviewing the expense statement monthly to insure compliance.

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4. Communicate what you are doing

Communicate to your congregation along the way what you are doing and what you have done to respond to the situation. They will appreciate their leaders exhibiting good stewardship, and you will serve as a worthy example to them, as well.

A Ministry Response

We should always be asking, “What’s the opportunity to minister that God is presenting to us right now?” And these economic times are creating opportunities in multiple ways, including the following.

1. Listen to your people

Many of your people are feeling like David when he wrote Psalm 26:16 -- *Turn to me and be gracious to me, for I am lonely and afflicted. The troubles of my heart are enlarged; bring me out of my distresses. Look upon my affliction and my trouble, and forgive all my sins.* All church leaders should be asking the people how they are doing and not accepting the typical American answer of “fine, thanks, how are you?” Get beneath that and into their real life situations and even their pain. Of course, this takes true caring and sacrificial time, so don’t ask unless you are ready and willing to truly listen, with your time as well as your heart. Pray with them (on the spot works great) and pray for them.

The better you know and understand what your people are going through, the better you can then respond by ministering TO your people and THROUGH your people.

2. Teach the correct world view

Pope Benedict XVI got it right recently when he said, "He who builds only on visible and tangible things like success, career and money, he builds the house of his life on sand. We are now seeing, in the collapse of major banks, that money vanishes, it is nothing. All these things that appear to be real are in fact secondary." Now is a great opportunity to remind your people of the true reality, what C.S. Lewis calls the “first place thing,” Christ Himself. Psalm 73:25 says, *Whom do I have in Heaven but you? And besides You, I desire nothing on earth.* There’s nothing like the loss of investments, income, and jobs to put us in a position of vulnerability to this message that Christ’s unconditional love is what our soul needs.

This teaching can be done through sermons, small groups, classes, and, most effectively, discipleship (see no. 4 below).

3. Shore up your shepherding plan to help people care for their souls

If there’s one frustration I hear over and over again from churches (and I hear many) it’s that their “shepherding plan” doesn’t work well. By shepherding plan, they mean simply who is responsible for shepherding whom. The typical plan is to divide the families among the elders, deacons, or other designated shepherds, and the frustrations with this plan are many. Are the shepherds gifted at shepherding? Are they trained to do that? Does anyone shepherd the shepherds or are they getting burned

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out? Are the connections made in a way that makes sense and maximizes the potential for helpful relationships?

Now may be an appropriate time to move to a plan that actually works better, but what could that be? First of all, prioritize shepherding in its proper Biblical status. Timothy and Titus clearly command the Elders or Overseers to shepherd the flock of God, so this is their primary duty, not an optional one.

Secondly, make shepherding connections that will actually have a chance of working, and the only plan I have seen that works well is to utilize existing relationships and ministries. Shepherd by ministry involvement, which will result in multiple “levels” of care based on the depth of the ministry relationships. The important thing is that you establish the expectation of care according to the actual realization of care.

Thirdly, equip your shepherds. This is a huge subject, and gifts, as well as personality, are involved. But there are primary skills that can be learned and improved, and you can offer training in those. Very importantly, shepherd the shepherds so they themselves experience what they are to do with others and to give them the support and encouragement that they must have to avoid burnout and even grow and thrive.

Finally, if your shepherds are also tied up in church governance to the extent that they don't have the bandwidth to also shepherd, free them up from that. Often we haven't defined and clarified the roles of the church governing board vs. the role of the pastor and staff in a way that frees the board from trying to manage church issues that should be left to paid staff or other volunteers. Free your leaders from the confusion of board work by clarifying the role and reducing the number of key leaders that must serve at one time.

4. Consider implementing a life-on-life discipleship ministry

The ultimate shepherding of the flock is to do what Jesus did with the 12 – disciple them in a way I call “life-on-life.” If we want our people to truly have a Christian world view, minister to other believers, become missional where they live, work and play, and grow in their leadership, then they must be transformed. Nothing short of investing our lives on theirs will accomplish this, and the proven most effective way to do this is in intentional, life-on-life groups of a few men or women. How has it been proven? First, of course, by Christ Himself, then Paul, Peter, and other disciples, and contemporarily by a few churches that are practicing this approach.

One pastor who has been discipling a few men for just one year commented on the difference it has made in their response to this crisis, “I'm seeing an amazing difference in the men in our group now – there's a different spirit in them.” That's transformation.

5. Consider classes and communities to address specific needs

There may be no better time to offer specific equipping in finances, marriage, and evangelism. Crown small groups and “faith and finance” types of classes have always been real needs, but now they are also felt needs. It's said that more marriages fail from money problems than anything, but I have heard from marriage counselors that money issues merely uncover deeper relational issues. And many in our community are also hurting and open to the Gospel message in a new way, so this is a great time to equip your people to share with them what is real and eternal and ultimately satisfying.

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Consider creating communities around these equipping needs, not just classes. We grow best in community with others, and people need each other now more than ever.

In summary, this is a time to lead your church in fiscal responsibility and in ministry opportunity. It is a time to respond, but more importantly it's a time to lead with shepherding, teaching, equipping, and discipling.

Leading with a Business Response and a Ministry Response

These economic times create the opportunity to glorify God through both.

From a business perspective (which is also ministry, of course):

1. Communicate with your congregation where you are and what you are doing about it. Don't assume they know. They will appreciate it. Reaffirm your Purpose, Vision, and Mission.
2. Create 3 forecast scenarios for the next TWO years.
3. Re-budget for the year you are in and possibly the coming year, depending on your fiscal year situation. Base this on the middle, most probable scenario. It's best to do this by aligning everything in the budget to the mission vs. across-the-board cuts.
4. Make two prioritized lists -- what you will add if more comes in and what you will cut if less comes in.
5. Communicate with the congregation what you have done, at least in generalities and principles.

From a ministry perspective:

1. Listen to your people to understand first-hand how they are hurting. This is a unique opportunity to get beneath the "surface" issues.
2. Minister TO your people and minister THROUGH your people at this time.
3. Teach your people the correct world view through sermons, classes, and counseling.
4. Shore up your shepherding plan. Who is responsible for whom? Are your shepherds trained to deal with these situations? Do you need to free up your shepherds, especially if they are Elders or Deacons, from some governance responsibilities? Do you shepherd the shepherds?
5. Consider implementing Life-on-Life Discipleship for ultimate life transformation and spiritual formation.
6. Now is a great time to consider financial, marriage, and evangelism classes and communities.

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