

REDEEMING THE CHURCH BOARD

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The local church board: future-focused, intentional, mindful of the difference between *governing* and *managing* the congregation's affairs. Is yours such a board? Or, more likely, is it fixated on past events, scattered in its approach to situations, and under the impression that its job is to control the activity of its pastor(s)?

The late Bishop Gerald Kennedy of the former Methodist Church once wrote: "I have just returned from a church conference and I am feeling mighty low. Brethren, let us admit that such affairs do not represent the Church at its best." What the Bishop felt about some sessions of the Annual Conference (and other judicatory leaders might feel about Synods and Presbyteries), many church pastors feel about meetings of the local church board. This is particularly true when the activities associated with boards are set alongside the larger biblical and theological images in which pastors have been taught to think about the Church.

Pastors are not alone. Many laity find that meetings of the church board are not the brightest spot on the calendar. Church board meetings frequently deteriorate into debates of management minutia. They may concentrate attention on conditions which have already passed into history. They may consist of opinionated posturing over matters unrelated to issues of purpose or direction. Meetings are seldom the source of spiritual inspiration, nor are they likely to deepen the sense of commitment to a greater cause.

Is it any wonder, then, that pastors and laity alike quickly learn to treat the church board as a necessary, though not enjoyable, part of their church experience? Is it any wonder that it is so difficult to entice people to serve, especially more than once?

Such conditions need not continue. If your church board meets the description just given, or even if your board is already a pretty together group of folks, we have a model to suggest which will redeem the first and renew the second. It is called the Policy Governance™ model and it works! It is designed to enable the governing body of the church to shape the life of the congregation for intentional impact on present and future ends. It insures the maximum use of resources and affirmation of volunteer and professional leadership. This model is adaptable to a variety of denominational polities.

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Limitations of the Model

The transformation of governance envisioned in this article applies to those churches for which a governing body actually acts as ultimate “corporate” authority. Hence, Presbyterian, United Methodist, Episcopalian, and Lutheran church boards are directly affected. Not included are Roman Catholic or other ecclesiastical bodies in which the local boards are only advisory to a more extensive hierarchy. The principles are not entirely lost on advisory boards, however, since to advise one must often duplicate the same steps involved in governing.

Churches with a “congregational polity,” those in which the entire congregation convenes to make major policy decisions, are a special problem. On the one hand, the nature of policymaking is much the same no matter who makes policy. On the other hand, when the entire membership gathers to engage in this process, clearly a host of agendas may be at stake, not the least of which is the issue of who holds power.³

In such settings the following material applies, but the maturity of the church membership when functioning together is a critical variable. Special work needs to be done to help the entire membership understand the nature of its decision-making authority. Stewardship of the corporate values it serves requires the dedication to set aside those personal agendas which might subvert the values of the whole.

Peculiarities of the Church among Non-profit Institutions

Before exploring the model, let us consider presuppositions we make about the church as a peculiar entity among non-profit organizations. These include the very definition of “church,” its lengthy history, and its sense of mission and vision.

For our purposes the “church” is that group of believers organized as a congregation at the community level. It is our purpose to speak to the people - pastors and elected or otherwise selected laity - who make decisions about how that congregation will go about doing the work defined as appropriate to its time and place. That corporate body, in all of its manifestations, is also part of the Church.

Every denominational entity operates with some statement by which it operationally defines the “Church.” Such definitions are rooted in a lengthy historical process, informed by those writings considered to be “scripture” (the Bible), which are common to the whole faith community. They are also founded in denominational histories peculiar to each branch of the Christian Church. They are present in the local history of each congregation.

Such statements represent a rich and sometimes disparate collection of interpretations. They provide a unique set of conditions when we set out to express the values which drive a particular church at a particular moment in time. The local church board has the task of trying to accommodate the statement of its denominational tradition into a workable definition for the local congregation.

Further, the local church must translate an understanding of its own purpose into a statement of mission for the immediate future. The church, as we will suggest, has a variety of options in this.

³ Just as large boards are more susceptible to manipulation than small ones, whole congregations must take care that the purity of their intended wholeness is not belied by several smaller, less legitimate but more effective power centers. Even when such fragmented power sources are well-intended, pastors can be whipsawed among them.

The poet James Russell Lowell wrote these words which have become a great hymn of the churches:

*“Once to every man and nation,
Comes the moment to decide,
In the strife of truth with falsehood,
For the good or evil side;
Some great cause, God’s new Messiah,
Offering each the bloom or blight,
And the choice goes by forever
Twixt that darkness and that light.”*

It would be hard to find a better expression of the task of the congregation to define, through its board, that which it shall be about here and now. In a welter of “causes,” what suits the present as an acceptable representation of the Church’s calling is a thorny issue.

Finally, there is a notion that what the church conserves is really a “story.” That the Church understands this to be the divine story of God’s purpose in creation - the creation and the creator - only enhances the need to give it contemporary expression. Herein lies a true problem. In making the ancient “story” contemporary, the Church understands that it is making *the* story, *our* story. In that sense, if the mission of the church is then to conserve the memory of “the story,” its vision must fit that story to our future. The Church is called to make the story which is *meant* to be, the story that *shall* be.

The variations in approach taken by various branches of the Christian community run the gamut from symbiotic (a mutually advantageous co-existence with the secular order) to antibiotic (antagonistically relating to the world in order to overcome it) and a host of positions in between. In light of the profound and difficult choices, it is no wonder church boards would rather bury their noses in financial statements or ask how many new members have been recruited!

The Religious Agenda and the Non-profit Agenda

The local congregation is a non-profit organization motivated by its need to conserve and give expression to its values. As such, it has the same governance needs as all non-profits.

Those needs revolve around the mobilization of resources, including paid and volunteer leaders, to produce an impact upon the environment that can be said to fulfill the mission. Further, the board must govern in a manner which reflects its values with respect to the treatment of persons and assets.

In its roles as conservator of values, steward of resources and change-agent, the church labors under great expectations that it will perform its functions with distinction. Such is the neglect to which these expectations have fallen, that in the churches volunteers find themselves undervalued and overburdened. Paid professional leaders feel constrained, mistrusted and rejected at the points of their greatest strengths. “We have always done it like this,” is the death knell of creativity and imagination. “Let’s keep the Bible out of this, Pastor,” is potentially to lose sight of the very values the church seeks to conserve.

The Church’s story must first live in the churches, before it can be envisioned anywhere else. The Policy Governance model has the capacity to serve the Church and the churches well with respect to both the ideological and organizational agendas.

The Policy Governance Model

The Policy Governance model espoused here involves an exacting design of the board's job and of the board's relationship with those who actually carry out the work of the church.⁴ What makes this model so powerful as a tool is its emphasis on the broader policies of the church rather than on the narrower issues of month-to-month management.

John Wesley asked of his colleagues in the Annual Conference, "What do we teach; how do we teach; what do we do?" These are policy questions. By contrast, a local church board is more likely to spend an entire meeting deciding whether the senior high class can use the choir loft for a classroom. That is not policy making.

So then, the first strength of the model is its focus on the board's role as policy maker. Further, the model assumes that by and large the board itself will not be carrying out the day-today work of the church. The board will delegate this to others.

Let us begin by looking at policy making. Most church boards do create policy from time to time, but even the definition of policy can generate wide disagreement. We will define policy here as *those values or perspectives which underlie actions*. Since all decisions, activities, pursuits, goals and practices are determined by our values or by the way we look at things, policy is not only a powerful tool, but an unavoidable characteristic of church life,

With respect to managing an organization (or living a life), our values and perspectives accomplish two key things: First, they affect what we set out to accomplish. Second, they affect how we go about getting there. When we set out to write specific language about the "what" and the "how" - that is, when we establish policies about the what ("ends") and the how ("means") - we are really affirming what has typically been unwritten in the organization all along. Such policies about ends and means underlie everything we do. A board charged with governing a church can best do so by spending quality time thinking about and clarifying these values and perspectives, assembling them into a brief collection of written policies.

Ends policies are foremost among the board's policies, since they clarify the church's strategic intentions. These are the choices of church "products" or changes to be effected in the world, for which leadership and congregational activity strives. We will call this ends category of policies *RESULTS & PRIORITIES*.

Means values, however, present a special phenomenon which causes them to be divided into two types. Although as an individual I must apply my values to my own means decisions, some mischief is worked if I impose my values directly on the means of persons whom I supervise. Telling people how to do their jobs is both less humane and less effective than letting them do things their own way. Yet, since a board is accountable for performance of its minister or staff, it would be irresponsible to have no controls on their behavior. Whereas over-involvement is meddling, having no involvement at all in out subordinates' means constitutes rubber-stamping. Consequently, the board must deal with its subordinates' means in a fashion unlike that used in dealing with its own.

With respect to its own means, the board must develop policies directly prescribing them. In this category of policies, the board will deal explicitly with its trusteeship role for the congregation, with its own methods of operating and with the nature of its delegation to others. We will call this category of policies *GOVERNANCE PROCESS*⁵.

⁴ For a thorough explanation of this new paradigm for governance, see John Carver's *Boards That Make a Difference: A New Design for Leadership in Nonprofit and Public Organizations*. San Francisco: Jossey-Bass Publishers, 1990.

⁵ Many who use the model divide *GOVERNANCE PROCESS* policies into two types: (1) those which deal specifically with the board's process of governing and (2) those which describe how the board connects with its chief

With respect to subordinates' means, however, due to the reasons cited above, the board should (a) stay out of them except (b) to say what is unacceptable. In other words, the board can avoid telling people how to do their jobs (meddling) and also avoid abdicating (telling them nothing, accepting anything) by merely telling them what few practices, activities or circumstances will be considered unacceptable or not approvable. This category of board policies we will call *EXECUTIVE LIMITATIONS*.

The contents of *EXECUTIVE LIMITATIONS* policies constitute a "don't do it" list derived from the board's values of ethics and prudence. If subordinates produce the results we want, there is no justification for interfering with their means except when they constitute improper treatment of people or things. Consequently, church boards need not be burdened with a continual stream of operational decisions brought to them by minister or staff. The board can simply assemble a half dozen policies limiting executive prerogatives so that any actions taken *within* these constraints are acceptable by definition.,

The board enunciates its wisdom and decisions, therefore, in the form of policies in each of these three categories. Board attention is more rigorously focused on values. Board control is achieved without meddling. Board energies are engaged with the profound rather than the trivial. Board paperwork is reduced to the minimum.

Typical Policy Topics

RESULTS & PRIORITIES, EXECUTIVE LIMITATIONS AND GOVERNANCE PROCESS, then, are the three categories of board policy under the Policy Governance model. These categories are designed to be exhaustive, that is, they are sufficient repository for making explicit all the board's wisdom. Let us consider what might typically be addressed in each category.

RESULTS & PRIORITIES

These policies spell out the mission and priorities of the church. It is important that church programs, activities or campaigns not masquerade as these ends, for *the true ends are the intended outcomes* or results of programs, activities or campaigns. Mission, of course, is the "mega-results" statement, that which overarches all finer delineation of results. For the church it is theologically derived. After the broad determination of mission, however, there are many issues of priorities which are only slightly less broad. For example, shall we attend more to urban conditions around our church building or to pre-school religious education? Should religious grounding for teens be giving more emphasis than parenting skills for young parents?

There are many such choices which every congregation faces, but these choices are not always made with as careful a weighing of alternatives as suggested here. In fact, institutional inertia or the serendipitous zeal of a particular member determines the essence of a congregation's results in the world quite as much as careful deliberation and explicit selection. In the latter, the power of group process is inspiring and the resultant commitment is more likely to grow organically from the very souls of the individual members.

The congregation which struggles with the difficult *RESULTS & PRIORITIES* choices will increase involvement, probability of success and exciting vitality all at the same time. Moreover, such determinations made with a long-term perspective comprise a healthy engagement with

executive and staff.

strategic visioning. The church board is the instrumentality of the congregation for this stimulating and productive exploration. The board should involve the entire congregation as much as practicality permits, but in no event should the process fall into default even if the church board must carry it out totally on its own.

Congregations which exist within a denominational framework begin to speak to *RESULTS & PRIORITIES* where the denomination stops speaking. The local church particularizes those results for its own situation. In all cases the care given to membership participation should reflect awareness that members have both a stake (concern for the outcomes) and a share (responsibility for the outcomes) in what results are prescribed.

EXECUTIVE LIMITATIONS

The intent of this policy category is to leave as much freedom as possible for minister and staff to determine how they go about their tasks. By stating a relatively few limits or constraints, the board will be able to delegate more powerfully as well as more safely. The prudence-ethics topics in which most boards will choose to establish limitations are financial management, budgeting, personnel treatment, compensation and asset protection.

These policies are directed to the church's "chief executive officer" (CEO), who is likely to be the minister or other person held accountable for the total of church operations. The compensation policy, for example, might say that as long as salaries and wages for employed personnel (a) do not exceed local market ranges, (b) are never based on class distinctions (like gender or race), and (c) do not, along with other budget components, unbalance the budget, that the board need not be involved in setting or changing compensation of staff members. Similarly, the board might state that CEO safeguarding of church assets can be carried out with no direct board involvement so long as (a) casualty and theft insurance coverage is never less than 80 percent of replacement value, (b) building and equipment do not deteriorate due to misuse and (c) financial controls are not less than those acceptable to a qualified auditor.

Each policy can be stated in as much detail as is needed to capture the constraint which the board truly intends to impose. Even then, it is unlikely that a church of even large size would need more than six to ten policies averaging less than a page long to cover all the board's areas of concern.

GOVERNANCE PROCESS

Choosing to govern as suggested here would itself be a policy determination in this category. Other policy topics include the board job description, how the board relates to the congregation, the board's annual planning cycle, principles for the authority and behavior of committees established by the board, expectations of board members, the nature of delegation, the role of CEO and the approach the board takes to performance assessment.

The CEO issue for churches can be a touchy one. A simple view - and sometimes an available option - is for the board to empower its minister as CEO, a servant-leader who both works for the board and provides it vision and spiritual leadership. To the extent that the minister can be the operational leader, church governance is a more straightforward, streamlined matter. Religious education, the music ministry and other functions will be coordinated as a sensible whole through the minister's oversight and subsequent delegation to persons responsible for those areas of church life. The minister acts as the church's "executive director," making decisions with great latitude, constrained only by the *EXECUTIVE LIMITATIONS* policies as long as serving the *RESULTS & PRIORITIES* policies.

If the minister is not granted authority to be the CEO, either someone else serves in this function or the board has no CEO at all. If someone else, the relationship between that person and the minister must be carefully crafted to avoid predictable confusion and even strife. If no CEO, the board inherits the far more difficult task of being a “group CEO” itself, that is, of having to pull together all the separate church functions (a management process) as well as make policy about them. Groups are not well suited to this task.

Another clarity achieved in this category of board policies concerns the frequently multiple roles of church board members. An individual might serve on the board and teach Sunday School or help out in the office. If the board has a CEO, that board member as an individual works for the CEO when serving in any non-board role. On the other hand, the board of a small church may delegate to committees or individuals of its own membership instead of through a CEO. In this latter case, the board probably functions as a workgroup as well as a governing body. More effective church governance will result if board members under this arrangement conceive of themselves as wearing two different hats, since exploring and deciding values (governing) involves principles unlike those for carrying out tasks (getting the work done).

Calculating the Gains

How does church board operation in this model differ from the norm? Chiefly, the board spends less time dealing directly with activities which can be done well by others. The board’s conscientiousness does not entangle it in the unending stream of decisions about current church business. Board time is available for the longer term, mission-related, strategic choices for the church. Staff of the church are more thoroughly empowered in their work, though within clearly stated bounds. Without the board’s defaulting on its own leadership obligation, the minister is delegated wide latitude truly to represent the congregation’s vision and values.

Theological Reflection on the Model

This model empowers the church to be the Church. The behaviors required of clergy and laity alike reflect more nearly the sort of stewardship spoken of earlier. The focus of leadership is on the future. The mood of leadership becomes one of visionary hopefulness.

Here is a model for those who would work toward the liberation of people, rather than for those who would “sit by the banks of the river and weep” for days gone by. By setting pastors and lay leaders free from anxiety over conditions already beyond addressing, by putting an end to governing by the “short-rope” model (when they’ve gone too far, pull ‘em up short and show ‘em who’s boss), by tying acceptable ranges of latitude to the results intended to be achieved, leadership can get about the task of leading.

The Policy Governance model permits boards to ask the sort of questions which clarify our sense of what is truly important to us. It encourages board and pastor alike to creatively set in place whatever means are appropriate to their roles. How exciting it is to sit in church board meetings, where the topics of discussion focus on the essential values of the Church!

Conclusion

This model requires time to develop. Fundamental change in an organization - even the church - comes at a slow pace. People require time to alter their thinking, and their thinking has to change before their behavior will change.

This is not a quick fix for any governing board. It is indeed not so much of a fix as a complete overhaul. In many settings it may be a whole new construction. But that its precepts work, and that it is sound in concept and practice is being proven in rapidly growing numbers of not-for-profit and public organizations.

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