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RAISING THE BAR

Measuring Kingdom Impact

By Dr. James C. Galvin | A board's micro and macro-stewardship role

The board of directors of any nonprofit organization has a unique role in ensuring good stewardship of money and other organizational resources.

To illustrate, let's explore a not-so-fictional case study. Imagine we are watching a video clip on a church website. In the video, the treasurer explains in detail the importance of stewardship, and shares that one of the strengths of their congregation is stewardship. Each week they have three to four people who are not related count the offerings, not just two. They get three bids on any repair project including small plumbing or electrical repairs. Their pastor is by bi-vocational to save money. Unafraid to talk about money and giving, he preaches a series of four sermons on generosity every summer.

This church has an active stewardship board that educates members on tithing, wills and estate planning. To maintain full financial transparency with the congregation, they print out the bank statements at the quarterly congregational meetings. Every member can see every check that has been written for the quarter. Rather than a financial review or mere compilation, they have a full audit done every year by a volunteer from another congregation. One of their members returns the favor to the other church each year.

Is this church excelling in stewardship?

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Well, there's more to this case study. As we explore the website further, we discover this congregation averages about 21 people in weekly worship. It has been in decline for the past four decades. The pastor expects to see a continuing slow decline in attendance for the foreseeable future. At least 85 percent of the budget goes to building maintenance and utilities. A new church plant wanted to rent space for worship, but the congregation voted “no” due to theological differences. Another announcement shares the good news that an estate gift has matured so the congregation is going to be on solid financial ground for at least the next seven years.

Is this church excelling in stewardship?

In one way they are, and in another way they are not. We can call this micro-stewardship and macro-stewardship. While the church has tight financial controls and full financial transparency, its tithes and offerings are producing very little kingdom benefit.

The board of directors has a unique role in that it sits atop the organization and can make sure financial controls are in place, and that money is not being wasted. The board can make sure the organization is being run decently and in order. But it also has a higher level point of view.

Taking a systems perspective, a board can look at a nonprofit in terms of the people, money, and other resources going into the system and the results coming out the other side. Overseeing what happens inside the organization, such as establishing robust financial controls and avoiding waste, is important and necessary. But the board can also step back and look at the resources going in and the results coming out and ask the question, “Is it worth it?”

Micro-stewardship is overseeing all that is happening inside the organization. Macro-stewardship is stepping back and considering the overall kingdom value proposition. It involves making a judgement about the level of kingdom benefit the money and other resources are producing.

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In the growth phase of a nonprofit, ministry is exciting, results are evident, and raising money is easy. In the decline phase, raising money is a lot harder and results tend to be unimpressive. Usually, the board of directors is the only group that can make the macro value judgement. They are the key group for providing macro-stewardship.

All boards need to make sure micro-stewardship is in place and functional in the organization they oversee. But they would be wise to take a step back every once in a while and ask the bigger question: “Are the kingdom results we're seeing worth the kingdom resources going into this organization?”

No board should be afraid of asking this question. No board should be reluctant to explore major changes to an organization. No board should apologize for attempting to improve its macro-stewardship.

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