

Seminar on Church Governance for PIH Church Planter School

Presuppositions concerning Church governance:

1. "Governance is a tool of ministry"
 - a) The business side of church exists to support and enable the ministry side
 - If this is reversed it will stagnate a church
 - b) "Governance is a tool for increasing ministry effectiveness and promoting church health; it is less about ruling and more about serving."
2. "Ministry is to be the reflection of our doctrine, values and mission" -- therefore governance must be submitted to our ministry and reflect the same attributes.
3. The Bible does not specify a particular form of governance, although it does give us principles to draw upon.
 - a) There is tremendous flexibility built into the New Testament pattern of church structure
 - b) This is a strength that enables the church to function in any culture and society
 - c) Division within the church as a result of how it is structured is unnecessary and fruitless
 - d) What is important is that as the leader of your church you are convinced that the style of governance your church adopts is consistent with what you believe the Bible teaches, and how God has directed you.
4. The smaller and simpler the governance structure, the greater flexibility it will have.
5. As a church/ministry grows the need for increased structure enables increase of growth.

Three basic forms of governance have emerged over time.

1. Episcopal / Autocratic

- a) Top down hierarchical
- b) Authoritative
- c) Bishops have authority over dioceses, supervising clergy
- d) Pattern of the Catholic and Episcopal, Orthodox, Anglican, Methodist, Lutheran churches
- e) Pattern adopted by many independent Charismatic churches on either a local or regional (relational) scale.
 - One person rules with little accountability
 - General little or no congregational input or voting
- f) The pastor is self-employed
- g) Strengths
 - Clear leadership
 - Fast response time
 - People vote with the feet
 - Gifts of the leader can function without being hindered by conflicting vision
- h) Weaknesses
 - Lack of accountability

- Potential for demagoguery
- Potential for abuse, neglect and financial misuse
- Limited by the leaders gifts and strengths
- Often leads to burn out

2. Presbyterian / Bureaucratic

- a) Led by committee
- b) Hierarchy of councils
- c) Group of elders, co-equals,
- d) Typical of Reformed church, Presbyterian Churches
- e) Also adopted by many Charismatic churches which see a group of elders as the primary governance within a local church, or church family.
- f) Council can require unanimity or plurality on decisions
- g) Council hires and fires and has authority over the pastor (although the pastor may or may not be part of the council).
- h) Council members may be appointed, or selected by the other existing council members. Congregational input may be involved at some level of selection.
- i) The pastor works for the board.
- j) Strengths
 - If the Council is united and relationally strong it can be create a vital synergy
 - Protection from one individual taking control for their own agenda
 - Shares the load/burden of leadership
 - Employs multiple gift mix and talents enabling a more diverse form of leadership
- k) Weaknesses
 - Can become cumbersome and slow
 - Normally one individual will emerge as the true leader
 - Prone to develop political-ism, and authority that is not held accountable (If someone ends up being the main influencer, but outwardly it is represented as a committee -- then that individual can "hide" behind the committee.
 - At times the primary influencer may not even be on the council (biggest giver, oldest family, etc.)

3. Congregational / Democratic

- a) Dispenses with most titled positions (esp. bishop).
- b) The local congregation rules itself, through local elected leaders &/or councils
- c) It is a principle of congregationalism that ministers do not govern congregation by themselves. They may preside over the congregation, but it is the congregation which exerts its authority in the end.
- d) Pastor and board work for the church.
- e) Based upon the principles of the United States Constitution and was a development at the same time and upon the same cultural/societal influences. (Although adherents can argue that they see it as a Biblical norm.)
- f) Strengths
 - Every member is required to be involved
 - Priesthood of the believer is a dominant principle
 - Greatest protection against abusive leadership
 - Can develop significant "ownership" within the congregation

- Anyone can have a say, or input into the leadership of the church

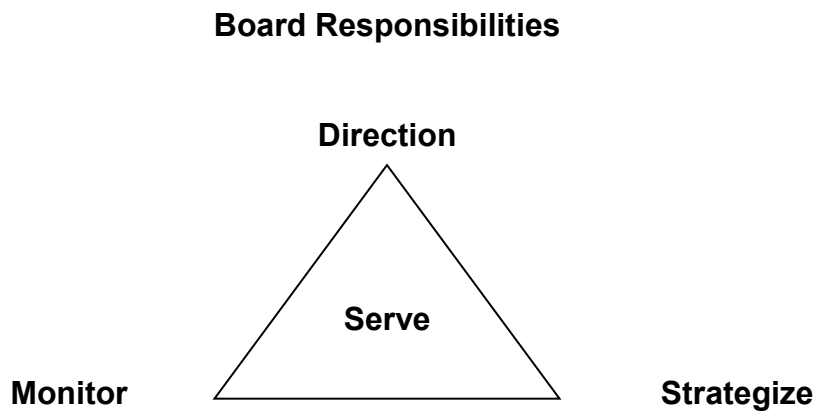
g) Weaknesses

- Slow and cumbersome at best
- Rarely applied consistently, even though this is the most common form of church government on paper
- Most church members have no idea what their responsibilities are, and most pastors do not know either.
- Huge inconsistency between policy and practice
- Creates political-ism, and can create division
- Open opportunity for people with hidden agenda to operate
- Removed authority from leader and places it in the congregation.
- Hinders the vision and freedom of the leader to lead.
- Requires significant amount of resources to maintain (communication of ideas, purpose, votes, etc.)

Effective Church Governance Workshop (Dr. Jim Leverette)

Increasing Governance Effectiveness

1. The Goal of Good Governance
2. Define governance philosophy
The question is: What kind of board will you be? How will the board function?
3. Clarify board responsibilities



In what areas should the leadership educate itself and on what should the board focus?

1. Beliefs, Values, Mission, Vision/Strategy
2. Congregational Health – Definition and pursuit of Congregational health
3. Strategic Process – Broad stroke issues; Ends, Limited Mean
4. Legal Issues – Charitable Organization Laws, Privacy Legislation, Employment Conditions/Standards
5. Constitution – Provincial/Federal expectations/legislation regarding charitable organizations
6. Governance Policies – What should/should not happen within the organization
7. Performance Evaluation – Board, pastor
8. Communication – Board issues to the Congregation
9. Pastoral Staff Hiring

Constitutional Development and Revision

Principles:

1. The constitution is a tool of governance
2. Governance is a tool of ministry
3. Ministry is to be engaged as a reflection of doctrine, values and mission
4. A long and detailed Constitution is concerned with ministry control and restriction.
5. A short and less detailed Constitution is concerned with ministry development and flexibility

Important Definitions

Constitution – Basic, essential, legal document that identifies and states organizational boundaries. Requires congregational approval for revision and must be filed with the government

Bylaws – Procedures of the organization. Rules designed to guide the organization. Usually requires congregational approval for revision.

Policies – Procedures of the organization. Rules designed to guide the organization. Are revised within the context of ministry and are communicated to the congregation.

Principles for Constitutional Development and Review

1. Determine Governance Philosophy First (See Below)
2. Keep It Simple
3. Biblical Accuracy
4. Form Consistency – *(There must be a thought out consistency between policy and practice. How you are represented on paper in the constitution and by-laws, and how you will actually operate.)*
5. Ministry Adaptability
6. Content Simplicity
7. Organizational Clarity
8. Legal Necessity
 - A. Secure a copy of the Religious Societies Land Act (Or appropriate legal guidelines for your state)
 - B. File the Congregationally approved Constitution at Corporate Registry *(or appropriate legal document in your state)*
 - C. Constitutions should include only those things that are legally binding, purpose defining and organizational non-negotiable.
 - D. Constitutions should include:
 - 1) Name
 - 2) Location
 - 3) Affiliation

- 4) Mission
- 5) Charitable Purpose
Suggestions:
 - a. Spreading the Gospel of Jesus Christ
 - b. Education and Discipleship
 - c. Advancement of the Gospel of Christ
- 6) Membership
 - a. Admission Process
 - b. Rights and Privileges
 - c. Responsibilities and Expectations
 - d. Grievances
 - e. Termination
- 7) Governance
 - a. Authority
 - b. Composition
 - c. Officers
 - d. Election
 - e. Terms of Office
 - f. Meetings
 - g. Quorum
- 8) Meetings
- 9) Voting Procedures
- 10) Quorum
- 11) Church Discipline
- 12) Signing Authorities
- 13) Spending Guidelines
- 14) Fiscal Year
- 15) Consolidation
- 16) Dissolution
- 17) Acquisition of Property
- 18) Constitutional Change

9. Constitutions should avoid:

- A. Designation of Affiliation with an American Charitable Organization (*To maintain legal independence and simplification.*)
- B. Gender distinction
- C. Policies and Procedures
- D. Position Descriptions – Responsibilities and Duties
- E. Ministry methodologies

10. Employ the services of a (Christian) lawyer

11. Insure proper submission to the proper legal authorities

Governance Philosophy

When defining governance philosophy the following issues have to be addresses and questions asked:

Focus: Doctrine, Values, Mission, Vision, Plan/Strategy

Board/Sr. Pastor Relationship

Decision-making – Majority, consensus; Issues the board will decide on

Accountability – Items that will go to the Congregation for approval

Communication – Who speaks for the board; Who speaks for the staff

Monitoring – Means by which the board will assess performance (self/pastor)

Board Philosophy – Representative, Non-Representative, Advisory, Managing, Power Broker, Business, Parliamentary, Servant-Leadership

Will the board give direction or just monitor progress?

How will the board officers be chosen?

How many officers will there be?

What will the term of office for board members be?

How will the board relate to ministries/committees?

Will the board have committees that are directly accountable to it?

What officers will there be?

Will the board get involved in operations?

What is the primary function of the board/

What is the role of the chair?

What responsibilities will the pastor have in relation to governance/board?

Who has the authority to hire the staff?

What hiring process will be hired?

How and in what format will the pastor report to the board?

Who determines how and in what form the pastor will report to the board?

Excerpt taken from Effective Church Governance Workshop by:

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