

Giving During Tough Economic Times (edited version 3.3.09)

Compiled by Wayne B. Clark
UUA Director of Congregational Stewardship Services
wclark@uua.org
207.829.4550

In response to several requests, I have gathered 11 recent papers that all relate to stewardship in difficult economic times. Specifically, each paper refers to the value of remaining positive during an economic recession.

I hope that this information will be helpful to Unitarian Universalist congregational leaders. I welcome other recent papers that could be added to this list.

Wayne

Contents

1. Page 2 "Past Sheds Light on Recession Giving" by Sharon Bond
2. Page 4 "Anticipating the Effects of the US Economy on Congregational Giving in 2008-2009" by Laurel Amabile
3. Page 7 "Best Practices" by the UUA stewardship consultants
4. Page 8 "Thoughts on Giving in Tough Economic Times" by Ian Evison
5. Page 9 "10 Stewardship Issues Every Church Leader Should Consider in 2009" by Brad Leeper
6. Page 15 "Thoughts on Annual Stewardship Drive" by Frankie Price-Stern
7. Page 17 "This is the Time for Fair Share Giving" by Frankie Price-Stern
8. Page 18 "The Problem Trap" by Larry Peers
9. Page 21 "Appreciative Tip: The Power of Great Questions" by Robert Voyle
10. Page 23 "Dear Churches, This is Not the Great Depression" by Mark Brooks
11. Page 24 "Ministry in Hard Times" by Dan Hotchkiss

*New papers added since the December 2008 initial compilation of papers.

Past Sheds Light on Recession Giving

By Sharon Bond

September 29, 2008

If history is any indicator, the economic downturn afflicting the U.S. likely will have a negative impact on charitable giving to most sectors, an analysis of past data says.

The severity of the impact will depend on whether the nation is simply experiencing slower economic growth, or whether it is in a recession, which historically has caused giving to drop after factoring in inflation.

However, the human-services sector actually may see growth in giving pick up, as has happened in past recessions, says "Giving During Recessions and Economic Slowdowns," a report written by the Center on Philanthropy at Indiana University and published by the Giving USA Foundation.

Over the four decades analyzed in the report, the only drop in charitable giving, as measured in current dollars, occurred in 1987 and likely was due to a tax change that temporarily altered the timing of donations.

Otherwise, even during short and prolonged recessions, as well as other times of economic contraction, actual giving from year to year increased in current dollars.

However, when adjusting for inflation, total giving fell in three of four years that included at least eight months of recession, for an average drop of 2.7 percent, the study says.

The largest drop was 5.4 percent, occurring in 1974, followed by a drop of 3.7 percent in 1970.

Individuals have donated about 80 percent of all charitable contributions over the past four decades, the study says, and during years with at least eight months of recession, individual giving has dropped an average of 3.9 percent after inflation.

Foundation donations, which account for about 10 percent of overall giving, has dropped an average of 0.1 percent in the same years, the study says, while corporate giving, which makes up about 5 percent of all giving, fell an average of 1.6 percent.

But for some sectors, recessions have less of an impact, or even can spur giving, the study says.

For human-services groups, the average rate of growth in giving after adjusting for inflation averaged 2.3 percent over all 40 years, but more than doubled to an average of 5 percent during the four years with eight or more months of recession.

For sectors like religion, health, public-society benefit, the arts and international affairs, average rates of growth in giving were positive but did not increase during recessions.

Education was the only sector that saw a drop in the average rate of growth in giving during the four years with at least 8 months of recession.

To encourage giving in tough economic times, the report recommends charities:

- Ensure each board member is a donor and an advocate for the organization.
- Develop and follow a fundraising, communications and stewardship plan.
- Redouble efforts to renew gifts from existing donors.
- Use all available fundraising tactics.

To receive a full copy of the report, email [Sharon Bond](#).

ANTICIPATING THE EFFECTS OF THE U.S. ECONOMY ON CONGREGATIONAL GIVING IN 2008-2009

Tips for Unitarian Universalist Congregation Leaders
By Laurel Amabile, Director of the Annual Program Fund

Like many religious and nonprofit organizations, the Unitarian Universalist Association of Congregations is feeling the adverse affects of the slowing U.S. economy. It looks like this trend will continue to have an impact for months to come. A recent [Advancing Philanthropy](#) article by Mary Ellen Collins, *Enjoy the Ride: How to effectively raise funds in a roller-coaster economy*, offers some advice that may help congregations manage the challenges successfully.

According to the article, professional fundraisers agree that the best strategies for successful fundraising during unpredictable economic times involve foundational elements of philanthropic fundraising.

- Appealing Mission Statement—a dynamic and unique mission appeals to people’s interest in the value of the organization and the causes it supports.

Unitarian Universalists need to know their contributions to their congregations, districts and UUA make a difference because these entities are making a difference in the wider world. We must be prepared individually and collectively to articulate our UUA and APF mission, purposes and principles in appealing and compelling ways that elicit high levels of giving and support.

- Acknowledge the impact of the economy on the organization’s ability to fulfill its mission.

Nurturing relational bonds within congregations and among congregations strengthens Unitarian Universalism and our ministry in the wider community. It is important for congregants to know their congregation is a valued part of a covenantal association of congregations and district structure. Careful tracking of giving activity is necessary in the coming months. Leaders can watch for warning signs or trends that suggest unpredicted shortfalls or financial distress.

When faced with difficult financial choices, leaders are encouraged to connect with their District and UUA offices for helpful fundraising and stewardship information, resources, and services:

(www.uua.org/aboutus/professionalstaff/congregationalservices/) Congregation leaders must also be responsive to their member’s questions, ready with information about the congregation’s stewardship program and funding needs, and proactive in their communication on financial matters.

- Avoid dramatic shifts in fundraising methods and changes in staffing.

Most congregations rely on the members of their professional and support staff to maintain the week-to-week functions and ministries, particularly in the area of record-keeping and finance. At times of heightened anxiety or crisis the pastoral and programmatic needs of the congregants and surrounding community can increase. Staff and lay leaders must work together to develop and model effective stewardship methods and practices that sustain their congregations financially.

- Keep public relations and marketing strong.

As you know, the UUA conducted a major national advertising campaign this year. Our President Bill Sinkford has worked throughout his tenure to increase our visibility through public witness, media coverage, and partnering with organizations with common values. The UUA website has been completely redesigned to be more visitor-friendly. Our Association has increased its marketing staff and is working with marketing professionals to develop appealing and compelling print materials for UUA programs. For more information contact: marketing_outreach@uua.org.

At the local level, congregations can make use of available UUA marketing materials and resources:

www.uua.org/leaders/leaderslibrary/marketing/congregational/index.shtml

Website development resources for congregations can be found at the Prairie Star District's host website: <http://www.firstunitariansociety.org/templateproject/>

- Keep the organization “recession-proof” by spreading the enthusiasm about what the organization is doing.

As Unitarian Universalist leaders, it is essential to talk in positive ways our UU faith, our congregations, and the wider Association: what we are excited about, how we support the organization financially, and what we are doing to make good things happen. Those in staff and leadership roles interact with many people—in local communities, congregations, districts, and nationally—as representatives of Unitarian Universalism. Your enthusiasm will catch peoples' interest and attract those seeking religious communities making a positive difference in the world.

- Practice openness and accountability.

Share information about how contributions are used to fulfill the congregation's mission and purpose. Educate congregants about the importance supporting Unitarian Universalist values and the appropriate infrastructure and systems necessary to sustain the congregation and Association over time. In addition, congregation leaders and staff benefit from knowing where to find the UUA and district information online: www.uua.org and specifically UUA budget and giving information: www.uua.org/giving.

- Meet regularly with donors, if possible, informing them of the organization's needs. Invite questions.

A relational approach to stewardship and annual fundraising is essential to sustain the highest levels of generosity and giving in the congregation. Regular personal contacts throughout the year via phone, email, and postal mail are critical to promoting strong relational ties to the congregation and wider organization. Individuals need to know they are valued and important to their congregation beyond any financial contributions they make. Saying "Thank You" in as many ways possible is a priority.

~Congregation leaders, 11/12/2008

Giving During Tough Economic Times Best Practices

**Compiled by UUA Stewardship Consultants
January 9, 2009**

1. Share the history of giving to faith communities during previous recessions.
2. Stay positive.
3. Act and lead with confidence.
4. Assume that all will be well . . . Don't assume the worst.
5. See the recession, and the start of a new presidency, as an opportunity to welcome new people, and to revisit your congregational vision and mission.
6. Ask "How important is the congregation to you?"
7. Believe that caring for people always trumps brick and mortar needs.
8. Use pie charts to depict the distribution of the previous year's spending.
9. Use pie charts to indicate the anticipated distribution of financial commitments when the goal is met.
10. Develop a line-item annual operating budget *after* completion of stewardship conversations.
11. Do not presume other's financial situation. Ask *everyone* for an annual financial commitment.
12. Be pastoral. Focus on "how are you doing" personal conversations.
13. In addition to monetary goals, create a goal for the number of congregants participating in the annual budget drive. Define success more broadly.
14. Sponsor a "turn down the heat" day each week and host a pot luck meal at church.
15. Sponsor a job-seeking club / a referral network / a resume writing workshop.
16. Promote open conversations about "living well in tough times."
17. Market a "business is booming" slogan to spread the good news of the congregation.
18. Focus on three key words; help, hope, and home.
19. Emphasize that the faith community is a haven during tough times.
20. Congregations that were strong before the recession, will remain strong during a recession. Weaker congregations will succeed if they have strong leaders.

Thoughts on Giving in Tough Economic Times

Reverend Ian Evison, District Executive
UUA Central Midwest District

Lyn Corder and all: Good to meet you! The point you make is a very important one—all historical experience points to the conclusion that in tough economic times giving, perhaps especially giving to congregations, remains level. I attach an article making this point from the Center for Philanthropy at Indiana University (also see <http://philanthropyjournal.org/news/past-sheds-light-recession-giving>). The practical point is that we need to keep our nerve--it is unwise and unnecessary to react to this as if giving were going to decrease. It most probably is not.

Yet, we should not be sanguine. Just because the overall level of giving is likely not to go down does not mean that the dollars will be given for the same thing. Part of the reason that giving to congregations tends to stay level overall in tight times is that in such times people want to give to places where they are convinced it will do the most good. Judged by this standard some organizations will do better—and some will do worse. So, the first word of wisdom is *not to panic* and the second is to *focus on mission* both of service within the congregation and in the wider world. I attach an article by a colleague, Laurel Amabile: *Anticipating Economic Effects*.

In addition to this, I would add two more pieces of advice:

Don't drive the anxiety: some of the greatest damage I have seen to institutions in downturns comes from quick and clumsy self-protective action. It is not necessarily responsible or wise to respond to every up and down of a quickly shifting economic landscape. This can be a temptation for those among us who are most attuned to finances (pretty hard not to notice another 600 point drop in the Dow today). The obvious example of the harm caused by clumsy self-protective example would be the congregation that makes harsh decisions about compensation without consultation and without advance warning. Those in congregations who are excellent at communication and group process need to be made part of any discussions.

Give as much attention to looking for the opportunities as to protecting against the dangers: Any crisis opens opportunities, financially and strategically as well as for serving mission. One of the things that has interested me most in hearing from congregational leaders over the last month or two is precisely about these opportunities they have found. It is natural enough to become reflexively self-protective in such a time. Yet to do so misses opportunities. I have talked with congregations planning major projects and have found that those who already have a chunk of cash in hand are finding great opportunities. When lending is frozen the person with cash in hand—even a little of it—is king.

Best. Ian

10 Stewardship Issues Every Church Leader Should Consider in 2009

by Brad Leeper

This article was originally published in [COOP](http://www.coop.org) magazine and is used by permission. www.coop.org

Whether whispered silently in our heads or energetically wrestled through in leadership meetings, economic fears challenge churches. We offer hope and meaning to our communities and a world growing more restless in finding truth. What a terrible price to miss authentic ministry because we lacked financial resources, especially when our neighbors may be driven to their most open spiritual moments in years because of their personal financial stress.

As we move toward 2009, the financial uncertainties force us to ask the most penetrating questions about stewardship that we have asked in decades.

Churches can be abundantly resourced during the most challenging times. How can your church position itself to maximize financial resources even in troubled fiscal climates?

Growing and courageous churches should consider these 10 issues in preparation for the coming year.

1. A bold vision with meaningful results will rarely be under funded

Now is not the time to shrink back from pursuing your neighbors in need. Even in the midst of personally challenging time, donors still want to make a meaningful mark on others. Internally, there is always that personal drive to live beyond ourselves and influence others. The church that vividly tells its story and challenges Christ-followers to live beyond themselves attracts financial resources.

Evidence shows that in down economic times, many church members do not treat giving as an expendable luxury item. They are inclined, however, to become far more selective in their giving outlets.

The church that consistently and creatively articulates a compelling vision and celebrates the successes will attract giving in hard times.

2. Conversations about giving must move beyond stewardship toward spiritual formation

Generosity is a spiritual issue of the heart. A person cannot move toward spiritual maturity until he or she understands that "where your treasure is, there your heart will be also."

Our culture works overtime to convince us that there is no correlation between our faith and our finances. A first-time reader of the New Testament could not miss the

plentiful teaching about our faith directly impacting how we live not only now, but also how we build our treasure in heaven.

In conversations with pastors, I am constantly amazed at how fearful these leaders are in shepherding people in the area of finances. Spiritual leaders yield far too easily to the myth that is it inappropriate as a pastor to interact with people about their possessions. Certainly, we would not give preference to the rich man as admonished in James 2. But we must not be passive about teaching how the incorrect image of money can prompt wanderings from the faith. (I Timothy 6:10)

The last frontier in American Christianity is the conversation about money. Spiritual transformation's last obstacle is our wallet.

Asking for money without the backdrop of spiritual formation will hit minimal financial results. The church that aligns spiritual formation and money will never lack. One cannot help but to give generously if there is a vibrant connection with their faith and finances.

3. Conversations must move beyond stewardship to generosity

With all due respect to the biblical concept of stewardship, the term itself is passive, hard to understand, and boring. In the secret places of the heart, people do not long to be good stewards. They do long to make an impact. To be a difference maker. To be generous to the point of giving up something that is good in exchange for something that is better.

Churches that celebrate generosity become more generous. Churches that are silent about generosity become zealous about cutting expenses. I have lived in that cutting expenses season. Experiencing generosity is much more fun.

Try a vocabulary shift in 2009. Replace stewardship with generosity and unpack the stories about how the generosity of your church changed lives. Watch your giving flourish.

4. Churches must speak more intentionally about finances

Economically tough times create intense static in the minds and hearts of your people. Consider that we have been accustomed to a consumer driven lifestyle accompanied by \$3 cups of specialized coffee and the internal confusion hits decibel levels too loud for even 18 year old rockers.

Where do your people stand in juggling financial realities? According to a USA Today article May 2008:

- 9 out of 10 consumers in their 30s are in debt.
- 45% of respondents in one survey said they had too much debt to think about saving. Do we think the answer is any different about their generosity?
- 20% of adult in their 30s are still paying college loans.

Another source reports that Americans now save, on average, less than 1% of their income. How can we expect people to give generously when their margin is already so razor thin?

Be daring in your coaching. Teach people how to get out of debt. Teach them how to save. Inspire them to live above the roar of our consumer-driven machine.

When I perform a giving analysis for a client, it is very typical to receive a list of regular attending households (OK, relax. I do not ask for names) with over 50% of those households having given nothing in the last year. I have had pastors tear up when they realize that they are the number 2 top donor in the church. Your people are not as up to speed about finances as you think they are.

The church that preaches and teaches about sound, biblical financial practices will create a long-term culture that gives abundantly to match its compelling vision.

5. Churches can still raise financial resources for major projects if ...

Churches that successfully raise additional funds for major projects make an audible from classic campaign approaches. Donors are eager to give to the right projects if we adapt our methods from past practices.

People eager to give generously look for certain qualities in a project before giving. Their decision making grid is radically different than even just a few years ago.

- Generous people look for more specific benchmarks and ask much harder questions in search for validation of the project.
- Does the project make sense? Is the reason to give sacrificially clear and compelling?
- Has the leadership thought this project through? Has the leadership done due diligence? Just because the pastor loves this project has little bearing on my love for the project.
- Would my investment directly help people? Buildings do not inspire me.
- There are far more attractive projects outside the church that appear more meaningful to me. Just because I attend church here does not mean that I automatically buy into your project.
- Does this project help the poor?

Give a change of pace from predictable practices to foster generosity.

Even though much of my work centers on capital campaigns, I fight hard to keep those two words from my interaction with clients. Most of my clients call their effort a "mission expansion project" or "vision expansion project". Stewardship is replaced by generosity. Vision casting and telling gripping narratives begin months in advance not compressed into a five week package. Print media is replaced with moving video work that is viewed repeatedly on YouTube.

The traditional three-year giving period for a mission expansion project can be shortened. People are increasingly skeptical about long-term commitments. A fast growing church can actually be hindered with a long giving season.

Churches that have made adjustments to converse with a new kind of donor still cultivate significant resources for their vision.

6. The church must intentionally build greater trust with its people

Most church giving, especially project-driven giving, is in direct correlation with the trust account balance with its people. How often and how creatively can you build the trust connection that gives people instant freedom to say yes to a spiritual investment?

Your people might love the primary teaching pastor. They most certainly love the people of their church. Significant trust comes from neither of these sources. Shaping confidence is a neglected art.

- No bank account replenishes itself automatically after a withdraw. So too must church leadership constantly make trust deposits.
- How can we increase our trust account?
- Tell people frequently how their financial gifts are being used.
- Teach how they are building treasure in heaven.
- Celebrate generosity at each offering.
- Help people understand how financial accountability is a big deal in your church.
- Maintain an open atmosphere about your finances.
- Unapologetically spend money on an annual, independent audit and proclaim the results of the clear audit. Make audit copies available in your lobby.
- Leaders appropriately share how they give.
- Send a thank you note to a household after their first gift to the church.

As we swim in these economically turbulent waters, consider more radical moves to build trust.

- Stop ineffective ministry even though you will take hits. People are having to adjust their budgets by stopping spending that they would rather not stop. Model for them how to adjust spending patterns.
- Redeploy budget line items to more practical human needs. Food banks, justice ministries, fighting child slavery, mercy ministries and other such works are perceived as far more important than operating expenditures. If the economy worsens, you will need to support some in your church to ride out the storm.
- Consistently building trust accelerates generosity.

7. Potential larger gift donors need pinpoint coaching and encouragements

As leaders, we hear an outstanding vocalist and we encourage them to move into the music ministry. We find a young leader gifted as a communicator and we prompt them into ministry options. Yet, we find a person with financial capacity to give large sums and we go into silent mode.

Churches that coach and elevate the gift of giving contribute vast resources for Kingdom work. Rather than showing the rich man favor, we actually raise the bar of

discipleship for them and release enormous sums toward those things that stir the heart of God.

Most potentially larger gift donors are often paralyzed about their giving. They often are ill-equipped to know how to give, where to give, and the mechanics of making wise gifts. Appropriate financial guidance can multiply a gift to your church while legally minimizing tax liabilities. Our government tax code subsidizes our giving. Although people can earn huge dollars, they are not automatically inclined to know how to give wisely. A wealthy person who understands how much is enough can substitute giving for lifestyle and release untold resources to valuable ministry needs.

Churches that disciple high capacity donors multiply vast amounts of resources.

8. Leaders must model sacrificial giving

We cannot lead people where we ourselves are not going. Our people are hungry to view authentic leaders living and giving in the context of faith. Leading by example inspires. How we model and appropriately demonstrate generosity can be tricky. It is done with integrity and humility in generous churches.

9. Human need trumps brick and mortar

Pastors tend to like ministry and facilities large. People like church to feel small and relational. Pastors understand how facilities are tools to reach more people. Most people, however, are less concerned about the facility and more concerned about human need.

It is the new normal now to include the human element in vision expansion projects. Church planting, multi-site, a clinic in Africa, homeless ministry in the community, and similar high human touch elements are increasingly expected in major projects. Human investment validates the construction.

A colleague worked with a client's vision expansion project that had nothing to do with any construction undertaking. Every investment dollar flowed boldly to planting churches around the city. The multiple of annual income raised was incredible!

A clear connection on how personal giving reduces human need throws gasoline on generosity.

10. Free yourself from the past. Your church members have

The recent Barna report on giving in 2007 repeated the same theme from prior years. Just 5% of American adults tithed. The most generous segment, evangelicals only topped the charts at 24%. The numbers have remained steady over the decade. We are anemic as a church in prompting generosity.

Trends in giving, however, are shifting more radically than ever before.

For those of us passionate about the local church, Barna sends up a bright warning flare. People are changing how they relate with the church. No longer content with

standard church interaction, they are “expanding their circle of Christian relationships beyond local church boundaries.” People increasingly give their money to organizations other than the church.

I served a client this past year that had small groups unofficially connected with their church in multiple states. This strategy was not intentional nor were these groups even supported by the church. The groups emerged from a meaningful interaction with the church pod-cast ministry. These groups gave generously to this church without a hint of request by the church.

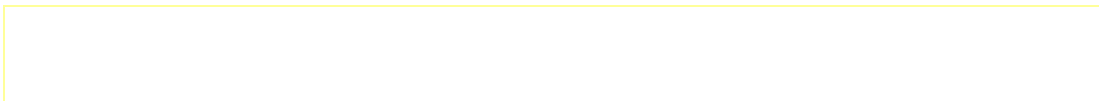
There is an increasingly sophisticated donor in an ever increasing competition for the faith dollar. A challenging economy will accelerate the competition. Many donors fail to connect how their attendance at your church translates into giving practices to your church.

If inspired, motivated, and simply prompted, however, people would still rather give to their church. Our silence leaves them uninspired, unmotivated, and believing that we have no need of financial resources.

The church that shifts generosity dialog and practices to better match the shifting patterns will receive substantial resources.

Conclusion

As we consider ministry plans for 2009 in the midst of economic uncertainty, understand the urgency of making adaptations to your giving practices. You will find the process engaging, energizing, and incredibly meaningful to your people. They will be transformed with an amazing collaboration with their investments and God’s call on your church.



Thoughts on Annual Stewardship Drive The Community Church of Chapel Hill

By Frankie Price-Stern
November 20, 2008

Everyone -- We are just completing wrap-up of the annual stewardship drive in my own congregation.

The congregation is very energized and focused because we have a new minister. However, I believe our results prove that a strong case for giving does "override" the negatives of the economy

We too were concerned with the economy so we were very purposeful with our goals, process and organization

As of today with 220 out of 250 Donor units completed the increase is +8% -- and we expect after the follow-up is finished we will be over 10% and could reach +15%.

Summary:

I hope Community Church's experience can be used to illustrate that you can receive very strong results this year with:

- a focused congregation,
- a strong purpose message (case statement) for giving,
- clear giving expectations (Fair Share Guide),
- and a committed team with a clear process

Details:

-- Our largest (over \$4,000) givers combined were much more generous than usual (+11%) perhaps feeling a need to be more supportive at a time of possible financial challenge.

-- After strongly communicating the Fair Share message (based on the table) we received a significant (+14%) overall increase from those giving below \$100 per month

-- We did have some (10) older long term members who have been consistently giving between \$100 and \$200 a month decrease their giving. We suspect this is probably as a result of the economy decreasing retirement income.

-- A larger portion of our members than usual did keep their commitments the same, but we had fewer than usual households that decreased their commitments.

Concerned about the economy we purposefully made some changes to our goals and process

-- We started meeting early -- in May

-- We set a goal to ask everyone (all members and friends no matter how new to our congregation) for a financial commitment. (We received 40 new FCs for an average of over \$1000 each.)

-- Our conversations included two simple Appreciative Inquiry questions -- What delights you most about Community Church right now? What are your strongest hopes for our new future?

-- We widely publicized online pledging (using Survey Monkey) as an easy option. This and the simplicity of the two questions allowed some of our conversations to be effectively had on the phone.

-- We experimented with having a longer (4 weeks) Stewardship campaign period this time and regularly followed up with stewards to ensure everyone did get personally asked.

-- Every week we had a testimonial that was positioned right after the minister's message.

-- Every week we sent a steward status report to all stewards and captains showing assigned donors/received pledges. I think this kept our stewards motivated.

-- And, we followed up with reminder postcards at the end of the third week.

This is the Time For Fair Share Giving

Frankie Price-Stern
November 21, 2008

[We] believe the economy impact is a *personal* rather than a *community* issue.

[These] are the times Fair share Giving was made for. Giving as a community allows those with impact to feel good about their lower gift and those without impact to see the value of community fair share giving and perhaps raise theirs to match the table.

The only way we mentioned the situation was "in challenging times our church community can become even more important to us".

When asked specifically -- often by leaders (we did not publicly bring the economy up since we believe it is a personal issue) -- we discussed the research that says that at times of personal financial stress those that give look at their gifts and shrink the number of places their gifts go to the one or few that they are passionate about. That in fact, sometimes they end up giving the same or more where they give.

I am sure we have had some impact. Due in part to the larger number (42%) of same amount FCs, our repeat Financial Commitment from those with current year FCs is +4.5% and including those that we lost is only +2%. So, we are paying rigorous attention to asking everyone, all friends and even those members who do not normally make financial commitments. We are committed to continue to follow-up even with those households that are always "high maintenance" to reach. For follow-up right now the rule is a "no pledge" is definitely OK, but it has to come from the donor, not from our decision to no longer try.

The Problem Trap
by Larry Peers, Senior Consultant
The Alban Institute

October, 2008

To effect deep change, leaders must be able to stand outside the dominant story of whatever it is we are trying to change—rather than being so immersed in it that we cannot truly observe how to lead a particular group in a particular situation. Ron Heifetz, author of *Leadership Without Easy Answers*, often talks about this as being able to take a balcony perspective. I have found the tools and perspectives of narrative therapy especially useful in helping clergy begin to get up on the balcony and become different observers of their situations, allowing for different actions and different results to become possible.

Recognizing the Problem-Saturated Story

One of the primary kinds of stories that takes hold in congregations and makes change difficult is what is known in narrative therapy as the “problem-saturated story,” or one in which the focus is on who or what is or has been wrong.

You can recognize the problem-saturated story when you’re in a group where someone offers an example of how difficult or awful something is in the congregation and before you know it the rest of us can’t help but chime in with more evidence for how truly bad and impossible the situation is. We can almost hear ourselves saying, even if the words aren’t verbalized, “You think that’s bad, let me tell you how it is even worse than that!”

Problem-saturated stories have the impact of being taken as fact rather than as a narrative created by a particular sifting of facts.

As leaders, we can easily succumb to the power of the problem-saturated story and, in fact, can become the main storyteller—if not the main character—in many of these stories. I have often noticed in clergy groups that a pastor or rabbi will tell a story about his or her congregation and seek support from others. In response to some well-intentioned advice from colleagues, the clergyperson often goes deeper into why these suggestions wouldn’t work—or delves into more of the problem story. At this point even the helpers may chime in with sympathetic remarks about how desperate and despairing situations like this can be.

In moments like these, I help to spoil the pity party. I ask questions like, “What would someone else in the congregation say? What would the newest or longest member of the congregation say about this situation?” “What would a child say?” or, better yet, “What would someone who disagrees with your version of events say about this situation?”

In asking these obnoxious questions, I am merely trying to point out the possibility of multiple perspectives and to introduce various versions of the story in order to interrupt the trance of the problem-saturated story, at least momentarily. I also want to give the clergyperson an opportunity to take on the perspective of a different observer.

Sometimes just recognizing the dynamic of the problem-saturated story can release people from its mesmerizing effect and allow them to stand outside of it. Other times, taking on a different perspective allows the leader to recognize that the observer they have been offers only one of many perspectives. Shifting the observer can often reveal different actions that are available and different results that are possible.

Externalizing versus Personalizing

A feature of the problem-saturated story within a congregation is that often there is a villain, a problem child, an *unmensch*.

There is usually a tendency to personalize what is going on in such a way that conveys the message that if only “so and so” would change, all would be well. In congregations, the tendency is to give this distinguished place of dishonor to the clergy or to a group of leaders, a group within the congregation, or even an individual. In my consulting work, I often hear the phrase “those people” used to refer to those considered the “problem children” in the congregation. From narrative training, we begin to see that the person is not the problem, the problem is the problem—and, indeed, it is our relationship to the problem that is the problem.

Seeing the Exceptions

Once leaders can externalize the problem they are facing, what often happens is that the leadership is freed up to recognize more of the situation than is usually allowed in our typical discourses about “what’s wrong with this congregation.” In the externalizing conversations, often a new kind of conversation—what Michael White, one of the originators of narrative therapy, calls a “reauthoring conversation”—begins to emerge. “Reauthoring conversations,” he explains, “invite people to continue to develop and tell stories about their lives, but they also help people to include some of the more neglected but potentially significant events and experiences that are ‘out of phase’ with their dominant storylines. These events and experiences can be considered ‘unique outcomes’ or ‘exceptions.’”¹

Singing the Songs of the Lord

In the time of the Babylonian Exile of the Jewish people, the prophet Jeremiah could have commiserated with the problem-saturated story of a people who were in despair, far from home, and in captivity once again. Instead, he spoke the prophetic word:

Build houses to dwell in; plant gardens, and eat their fruits.

Take wives and beget sons and daughters; find wives for your sons and give your daughters husbands, so that they may bear sons and daughters. There you must increase in number, not decrease.

Promote the welfare of the city to which I have exiled you; pray for it to the Lord, for upon its welfare depends your own (Jeremiah 29: 5-7, NAB).

In essence, he was saying, "Don't cave in to your sense of despair and hopelessness." He reminded them of who they were outside of the problem and encouraged them to do what they knew how to do when they were not in exile: plant gardens, start families, and promote the well-being of the place where they dwelled. These actions were the start of a new story. Jeremiah was prophetically helping the people of Israel to "reauthor" their story in the midst of exile.

The Psalmist ponders, "How can we sing the songs of the Lord while in a foreign land?" (Psalms 137:4) As religious leaders, we, too, ponder how we can sing in the midst of turmoil. A narrative leader must dare to be as prophetic as Jeremiah. Even in the midst of trouble or uncertainty, the narrative leader must be able to help others stand outside the mesmerizing effects of the problem-saturated story. The narrative leader must be resilient and resourceful enough to resist internalizing the situation. Instead, by recognizing that the "problem is the problem," the conversation the leader can facilitate is one that studies with curiosity the dynamic effects of this problem on the health, capacities, and faithfulness of the congregation.

Shifting the relationship to the problem comes only when the congregation can examine these effects and deeply and resoundingly say, "No, we don't want to continue with these effects of the problem." Then a threshold to a new possibility for the congregation emerges. This new threshold arises when the leader is able to ask, "What would you like instead? Where would you like to be headed?" "What would be the first sign that we are moving in that new direction?"

A narrative leader uses questions to help point a congregation toward the possibilities and directions that are inherent in a situation but often obscured by our usual problem-saturated and internalizing approaches to the situation.

The cumulative effect of the steps outlined here allow for a conversation of possibilities to emerge in what would otherwise seem like a dead-end. Margaret Wheatley, in her book *Turning to One Another*, underlines the power of conversation and the role of leaders in creating the kinds of conversations that can promote deep change: "There is no power greater than a community discovering what it cares about. Ask, 'What's possible?' not 'What's wrong?' Keep asking. . . . Be brave enough to start a conversation that matters."²

¹ Michael White, *Maps of Narrative Practice* (New York: W.W. Norton & Company, 2007), 61.

² Margaret J. Wheatley, *Turning to One Another* (San Francisco: Berrett-Koehler, 2002), 145.

Adapted from "[The Problem Trap: A Narrative Therapy Approach to Escaping Our Limiting Stories](#)" from the Winter 2008 issue of [Congregations](#) magazine.

Appreciative Tip: The Power of Great Questions

by Robert J. Voyle
September 11, 2008

David Cooperrider, the founder of appreciative inquiry, said that organizations grow in the direction of the questions they ask. Every time we ask a question of someone we influence or move the person or group in some direction. If these two statements are true and from my experience they are, then it pays to ask questions that move people in the direction we want them to go. For example if we want the group to move toward success, we need to ask questions about how they succeeded in the past, and what they want to accomplish in the future.

On the other hand if we ask a group what problems they are having, the people will be moved in the direction of problems and causality. This evokes blame and judgment which in turns creates defensiveness on the part of those who feel blamed. The end result is that members of the group will have been moved into a realm of greater alienation and powerlessness. Even if the problem solving question is asked with a minimal sense of blame, over time this problem centered approach will result in an erosion of confidence and well-being and leave people feeling powerless and immersed in their problems.

The appreciative approach of asking what is working and what would "more" look like continually moves people into a realistic and empowered hope for a better future. As Cooperrider has also said: "**we need to inquire into and discover the root cause of success rather than the root cause of failure.**" When confronting a problem we need to get clear on what a successful outcome would be and then explore what resources we need to achieve it, rather than focus on why we can't achieve the goal.

Here are some of my favorite questions:

What is it that you really, love to do?

What would happen to your life if you got to do more of what you really love to do?

What do you need in order to do more of what you love?

Notice we don't inquire why you can't do more of what you love, but what do you need to do what you love.

What would happen to your church if it stopped doing what it "should do" and simply became a place to support people to do what they really love to do?

To live in love and to share love is our heritage as the children of God. To grow communities of love we need to inquire deeply into our experience of love and sharing that love with others.

January 14, 2009

Dear Churches, This Is Not The Great Depression

Posted on: 12/04/2008

by Mark Brooks

In the last few months, many people have publicly declared that America is mired in The Great Depression II. Let me assure you, this is not the case.

As Christians, we must provide leadership, giving a dose of perspective to those upon whom we have influence. Yes, the economy has weakened and yes, we face some difficult times. However, as of yet, we are not even facing what we faced in the early 1980s, let alone anything near The Great Depression. Here are some facts to consider:

Recent reports list unemployment was at 6.7 percent. During The Great Depression, it was at 25 percent. Between 1979-1982, it was at 10.8 percent. Between 1989-1992, it was at 7.8 percent. Growth declined during The Great Depression by 13 percent. It was down 7.8 percent between 1979-1982, down 3.0 percent between 1989-1992, but is only down 0.2 percent through 2007.

The change in prices during The Great Depression fell by 10.3. They went up by 13.3 percent during the early '80s and by 6.1 percent between 1989-1992. In 2008, prices through August were up 5.4 percent. As gas prices fall, that should see a decline.

In 1929, the stock market crashed. That will never happen again because we established safeguards against a stock market collapse. The New York Stock Exchange can halt trading if the market becomes too volatile, a safeguard that began in 1998. Thresholds are reconfigured each quarter.

If the market ...

- Drops 10 percent, or 1,100 points, before 2 p.m., trading is halted for one hour.
- Drops 2,200 points before 1 p.m., trading is stopped for two hours, or for one hour if it happens between 1 p.m. and 2 p.m.
- Drops 3,350 points — no matter what time of day — all trading is stopped for the rest of the day.

The largest point decline in the market's history came on Sept. 29, 2008, when the Dow Jones Industrial Average fell 777.68 points. The largest percentage drop came on Dec. 12, 1914, when the market declined 24.39 percent.

Although we're not in the second Great Depression, perception is the cruelest form of reality. This means that church leaders must be prepared as their congregants attempt to navigate challenging financial times.

Consider the following:

Giving will decline but not drastically. Look for approximately a 10 percent decline overall, with some churches staying level or increasing their donations.

Churches that have taught stewardship through the years will do better than those that never mention it. Churches with plans will prosper, while those with none will suffer. Churches that are doing something for the Kingdom will continue to see offerings come in. Those that offer nothing will struggle.

Your budget needs to be cautious. Now is not the time to increase your budget drastically. Salaries might have to be frozen. Bold initiatives might need to be delayed. However, this does not mean that ministry has to stop. It does mean that at least for the first two quarters, you need to keep an eye on offerings and expenses.

Life will continue! During the last few recessions that the Church has been through, we have seen giving drop off in some years and increase in others. You can and will be able to continue ministry. Don't buy into the panic of the present driven by politicians and the media. The fundamentals are actually in place to see us through this downturn. Life will go on.

Be realistic but optimistic. Recessions do hurt people. We will experience pain. However, we are not and will not be experiencing anything near the pain of The Great Depression. As leaders, we need to identify with the pain of our people, but also point them to hope. That begins with you. If you panic or are fearful, it will spread.

Remember who our trust is in! As Christians, our trust is not in Wall Street or Washington; our trust is in the God of the universe. He has seen us through tougher times, and He will see us through times like these. Stay the course that God has laid out for you.

How you respond to this present time will teach your people more about the walk of faith than any sermon or lesson you ever give. Don't wilt with the times. Now is the time for real leadership. Stand tall and proclaim the Truth.

Ministry in Hard Times

by Dan Hotchkiss

February 2009

During the Great Depression, my grandfather lost his job and started a new company. His friends had enjoyed his Christmas gifts of homemade candied fruit--the kind used in fruitcakes--and encouraged him to turn what had been a hobby into a business. Luckily for him, the fruitcake market turned out to be countercyclical: when people can't afford expensive luxuries, they look for cheap ones. Fruitcake--like liquor, lotteries, and day-old bread--sold best when times were worst.

Many people like to think religion, too, is countercyclical--that people cling to it when other sources of support fail. Religion may be countercyclical, but organized religion may not be: worship attendance rates in mainline churches reached record lows during the Great Depression and record highs during the prosperous 1950s. Why would people go to church more when they have more money? The possible explanations are many; the most likely one, in my opinion, is that people are ashamed to worship where they no longer fit the economic profile of the congregation.

A minister told me this sad story: A leading member of a leading church dressed every morning in a suit and rode the train to town. Hardly anybody knew it, but he had no job to go to. To him, keeping the appearance of prosperity was worth deceiving everyone, even (or perhaps especially) everyone at church.

Like cars and houses, congregation membership can be a costly marker of class membership. Cars and houses have played leading roles in the early stages of our current economic downturn; churches and synagogues likely will face hard times as well. To be sure, giving to congregations is steadier than other charitable giving in the face of economic fluctuations. Tithes and offerings may be the last charitable giving people cut, but at some point, cut they will.

In seminary, most of us learned little enough about managing a congregation in good times. What we did learn, often, was steeped in rhetoric about abundance, growth, and optimism that, in retrospect, reflects a time of heady growth, fervent spending, and heedless borrowing. The future, at least in the short term, may require us to relearn concepts of stewardship and planning that stress thrift, the clever use of resources, and the courage to say no to low priorities.

In times like these, endowed congregations, which like to think they have a cushion against economic harm, find that in fact they are affected more abruptly and severely than member-supported congregations are. Members, as a group, can almost always choose to give a little more; a portfolio of stocks cannot. You can soften the impact by

smoothing out the "draw," but in the long run, the return is what it is.

Unfortunately, in many congregations the process of decision-making about money is ill-suited to the task of allocating scarce resources wisely. The implicit mental model is that the congregation's first duty is to sustain its institutional core--to maintain the building, service the debt, meet the payroll, and keep the lights on. If there is money left, we can then speak of mission, outreach, service, innovation--as if those were optional extras.

This mental map--institutional maintenance as the foundation, mission as the ground floor, innovation as a decorative filigree--does little harm so long as the supply of money grows from year to year. But in lean years, when spending needs to be trimmed back, this way of thinking can accelerate a downward spiral. Who would support a congregation that does nothing but support itself?

Which brings us to an awkward point: over time, congregations, like all nonprofits, tend to fall away from serving their mission into serving their constituents. One powerful set of constituents comprises long-time members who want to preserve the congregation's familiar look and feel--appearances and practices that comfort them. Another powerful group is the paid staff.

I once consulted with a church in a magnificent Romanesque building studded with distinguished opalescent stained glass. It had a full-time minister and music director, a sixteen-member paid choir--and thirty-five people in the congregation on an average Sunday. This mode of operation had been financed by liberal spending from a once-large endowment and even larger withdrawals from the invisible bank account of deferred building maintenance.

Like most congregations in such circumstances, this one took pride in the heroic way they had sustained a proud tradition against long odds. But one day their treasurer reframed their situation for them. "Every day we open up our doors, we piss away fifteen hundred of God's good dollars," he said. After a stunned silence, the discussion shifted. Instead of "How can we continue to provide ourselves with a church for the longest possible time?" the group began to ask, "How can we make the most faithful use of the resources in our trust, to fulfill the true purpose of the church?"

Luckily (or providentially), the church stood next door to a museum, which purchased the building for its collection of religious art. The congregation scattered, leaving a substantial legacy to other congregations, charities, and religious institutions. Not a perfect outcome, perhaps--what is?--but better, ethically, than simply waiting until the money was all gone.

This story is dramatic but instructive even for a congregation that is faced with trimming back by 10 or 20 percent. The easy path is always to give tacit priority to existing staff positions and activities, to ignore the hidden cost of deferred building maintenance, and to cut whatever lacks a strong internal advocate. In many cases this means cutting outreach giving, denominational support, and innovative projects. Or it means copping

out of all priority decisions and enacting an across-the-board percentage cut.

In times of strained finances, even more than in fat years, it is important that the budget process begin not with the budget from last year but with the congregation's mission. The congregation needs leaders--call them the board--capable of standing apart from the daily management of ministry. The board needs to reflect and pray about the congregation's mission and articulate a vision for its ministry that reflects its special calling in a time of trouble. And it needs to make hard choices--sometimes choosing what is right instead of what will keep the peace.

Nothing can make budget cutting easy, but there can be some joy in it if, in the process of accepting what we can't afford to do, we reach a deeper understanding of what we must afford to do, one way or another.