

Three spotlights are mounted on a metal truss structure at the top of the frame. They are illuminated, casting a bright white light downwards. The spotlights have blue and red accents. The background is dark, making the spotlights stand out.

The Spotlight

Churches with Lean Staff Budgets

Wednesday, May 12, 2010

Leadership  Network[®]

Connecting Innovators To Multiply BY 100X

How to Participate

Use the **Questions** box on your control panel to ask questions at any time during today's webinar.

If you have a specific question about today's topic of **lean staff budgets** go ahead and send that to us now!



The screenshot shows a webinar control panel with several sections and annotations:

- a**: Points to the "Attendee List (2 | Max 201)" header.
- b**: Points to the "Attendees (1)" tab and the "CORENA BAH (Me)" entry.
- c**: Points to the "Audio Mode" section, specifically the "Use Mic & Speakers" radio button.
- d**: Points to the "Questions" section, specifically the "Questions Log" area showing a question and answer.
- e**: Points to the "Send" button at the bottom of the "Questions" section.
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Presenters



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- Director of Research for Leadership Network
- Co-author of 22 ministry books



Stephanie Plagens

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Today's Spotlight

Lean Staffing: Churches That
Handle Staff Costs in Under
35% of Budget

by Warren Bird, Ph.D.

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Today's Spotlight

- Today is not a recap, so much as a commentary and discussion.
- If you don't yet have the report, go to www.leadnet.org/salary

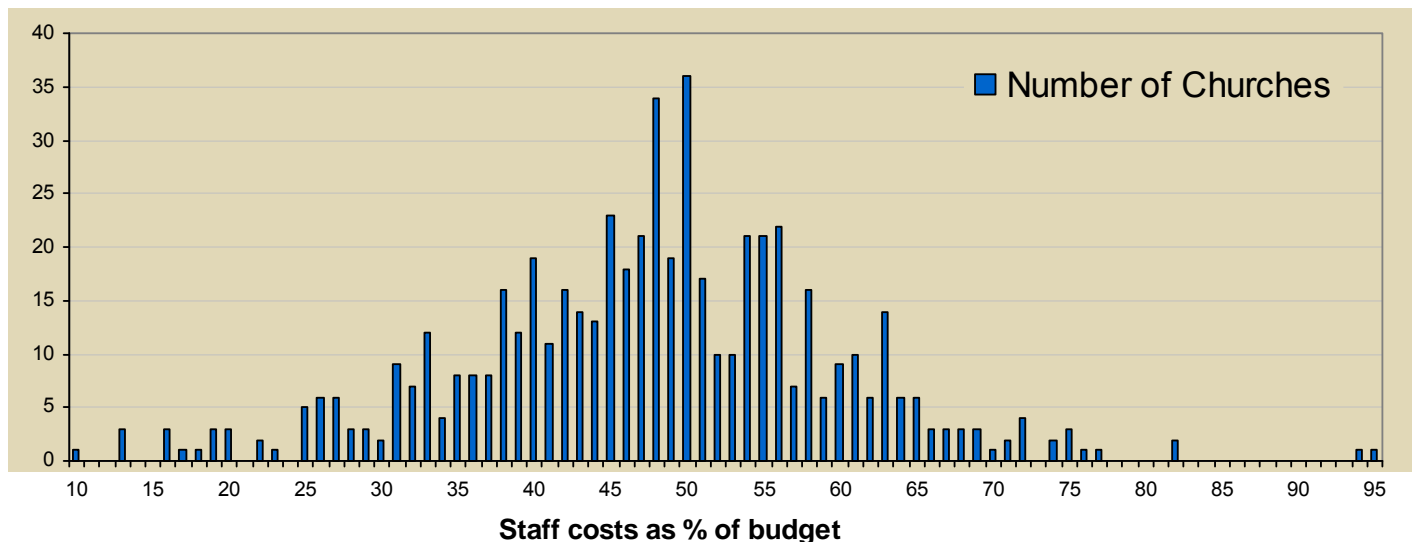


Introduction

- U.S. Protestant churches average 45% of their budget on staff costs.
(source: Fact2008, churches with 1 or more staff)
- We conducted the study with Christianity Today International

Goals of the Study

- Offer benchmarks
- Help churches hold a discussion
- Identify healthy ways (for both the staff and the church) to lower staff costs





Definition

- Lean staff churches = 35% or less of the total budget goes to staff costs.
- Comparison churches = 36% to 65% of total budget goes to staff costs.
- 1 of 7 churches surveyed are “lean staff”

Case in Point – Templo Calvario



- Pastor Daniel de León Sr., since 1976
- Templo Calvario, Santa Ana, CA, founded 1925
- Attendance: 4,000
- Staff: 14 (f/t) + 7 (p/t)
- Staff Costs: 28%

Case in Point – Templo Calvario

Pastor de León's perspective:

- “We have **always** operated with lean staffs. One main reason is that our church is in a city that has many people at middle to lower class in income, and our congregation reflects this.”
- “We are convinced more than ever that we need to work through **volunteers that we call associates**. An associate has a **vested interest** to give his Time, Talent and Treasure.”
- “I have always believed that we need to **develop our leadership from within**. Their commitment has been and is to this church. They don't see it as a stepping stone to the next place.”



Audience Poll

- What do you want us to focus on today?
 - Staffing and use of volunteers
 - Spending
 - Funding
 - Q&A Time



Staffing

Churches with lean staff budgets...

1. Get leaner as they get larger
2. Outsource certain staff jobs
3. Do more with volunteers and lay leadership development
4. Have fewer staff per attendee
5. Use part-time staff differently

Staffing (cont'd)

1. Staff costs become leaner as overall weekend worship attendance increases.

Avg. staff costs as % of budget	Churches where attendance is:
42%	6,000 WWA
50%	100 WWA
45%	Growing
48%	Plateaued
49%	Declining

As you're growing, are you tracking this?



Staffing (cont'd)

2. We “outsourced certain church functions, perhaps payroll or graphic arts, thereby eliminating the need for certain paid staff roles”


- lean staff churches 57%
- comparison group 46%

What job functions, if outsourced, would save your church money?



Staffing (cont'd)

3. More emphasis on lay leadership development.
 - “The stronger our church’s small group emphasis, the more ministry-capable volunteer leaders we develop.”
 - “We track the number of volunteers in our church and we notice whether that number (or percentage) is growing or declining.”



Are lay leaders empowered to take on staff roles?

Case in Point – Eastside Baptist

- Dr. Virgil Grant
- Eastside Baptist Church, Richmond KY
- Church began 1983, there since 1990
- Attendance: 350
- Staff: 4 (f/t) + 3 (p/t)
- Staff Costs: 29%



Case in Point – Eastside Baptist

- When two staff members resigned (to start a new church or to attend seminary), non-paid laity stepped up and filled important roles.
- They've spent a lot of time and energy over the last several years developing teams and leaders.
- They do almost ministry through small groups (i.e. care, outreach, visitation, support, discipleship, etc.).

Case in Point – Eastside Baptist

- How it's a healthy model:
 - You put the responsibility back on the members.
 - You create ownership.
 - Biblical model of [Ephesians 4](#).



Questions

Staffing (cont'd)

4. Have fewer staff per attendee

Could you decrease your staff ratio in a healthy way?

Staff costs as % of budget	Ratio of Staff to Attenders
10%-19%	1:108
20%-29%	1:91
30%-39%	1:73
40%-40%	1:73
50%-50%	1:70
60%-69%	1:59

Case In Point – First Assembly



- Pastor Rod Loy, since 1991
- First Assembly of God, North Little Rock, AR
- Church founded in 1914
- Attendance: 2,900
- Staff: 24 (f/t) + 10 (p/t)
- Staff Costs: 29%
- Emphasis on technology

Case in Point – First Assembly

- Converted a nearby building into a Membership Services Center with workstations for volunteers.
- The Membership Services Director coordinates the efforts of *hundreds* of volunteer team members.
- Volunteers do things that are traditionally done by paid staff, including: inputting attendance for all services, generating letters to guests, making copies, running the weekly bulletin, processing mail-outs, and re-stocking literature racks.
- Pastor Rod Loy: “We would much rather put our resources into missions!”

Case in Point – First Assembly

Pastor Rod Loy's perspective:

- “I believe most churches are overstaffed. We under-staff and over-support.”
- “We are very up-to-date with technology,” communicating heavily by email. “All our pastors operate that way.”

Staffing (cont'd)

5. Use part-timers differently

Have you designed a sustainable system in which part-timers can thrive?

Staff costs as % of budget	Number of part-time staff for each full-time staff
46%	Up to ½
46%	1
46%	2
46%	3
42%	More than 3



Staffing - Takeaways

Warren's practical suggestions for shifting:

- All staff's top job responsibility: recruit, motivate, and equip laypeople in ministry
- Staff cheered for developing apprentices
- Staff called "foul" for doing ministry alone
- Teaching/preaching offers many hero-making stories for "equipping the saints to do the work of the ministry" (Eph. 4:12)



Spending

Churches with lean staff budgets...

1. Spend a higher part of their budget money outside their walls
2. Tend to have or serve poorer congregations

Spending - Beyond Congregation

Staff costs as % of budget	How much of budget goes beyond the congregation
10%-19%	23%
20%-29%	17%
30%-39%	16%
40%-40%	15%
50%-50%	15%
60%-69%	12%

Which happens first?
Is your team in line with your church's values?

Spending – Poorer Congregations

- Staffing costs are leanest for churches that reach the poor and highest for churches that reach the very wealthy.
- Staffing costs increase in direct relationship to how people describe the majority of their church attenders, as they compare it to the average income in their city or region.

Staff costs as % of budget	Who attends the church
43%	Poor
46%	Average
47%	Wealthy
53%	Very wealthy

Are budget concerns preventing you from ministering to the poor?



Funding

Churches with lean staff budgets...

- Have extra income sources beyond donations from members



Funding (cont'd)

We “developed income-producing activities, such as renting a portion of our property, that contribute to the church budget and thereby make staff costs a lower percentage”

- lean staff churches 43%
- comparison group 28%

How can you prevent mission-drift?



Review of What Changes

- Churches with lean staff budgets:
 - Do more with volunteers and lay leadership development
 - Seem to put more attention to developing volunteers
Tend to have or serve poorer congregations
 - Spend a higher part of their budget money outside their walls
 - Have fewer staff per attendee
 - Outsource certain staff jobs
 - Have extra income sources beyond donations from members



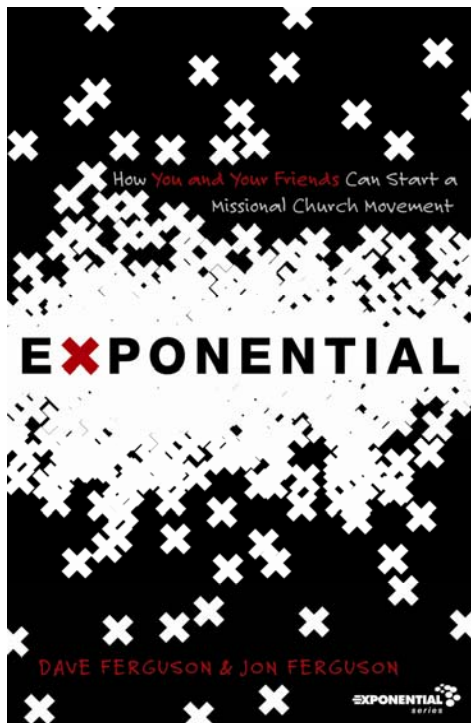
Questions



To Learn More

- “Lean Staffing Forum”: To be invited, email bonnie.randle@leadnet.org with your role.
- Look for a further lean staff report (Fall 2010), which will draw from other national surveys.
- Participate in our large church salary survey, leadnet.org/SalarySurvey
- See blog at <http://learnings.leadnet.org> on Friday of this week for more Q&A

Next Month's Spotlight



- **Reproducing Church Movements**
- June 9, 3:00 pm Central
- Dave & Jon Ferguson, authors of the just-released book *Exponential: How You and Your Friends Can Start a Missional Church Movement*, will be joining us.
- [Register for this webinar.](#)