

Stakeholders in the Church *Who Are They?* *And Why Should Church Leaders Care?*



Ambassadors
of
Reconciliation™

By Ted Kober, Senior Ambassador

When becoming more vision and mission focused, leaders need to be accountable to the church’s stakeholders.

In business, a corporation is owned by its stockholders. They elect a board of directors to govern the company on their behalf, and they expect the board to be accountable to them for its results.

Although a church is a non-profit organization that is not “owned” by individuals, stakeholders have a felt ownership in the church and how its assets are being utilized.¹ A church’s governing leadership acts as a trustee, making decisions on behalf of those who have a felt ownership in the church. The leaders are entrusted with fiduciary responsibilities to govern the church on behalf of the stakeholders. Accordingly, the leadership needs to identify its stakeholders and hold themselves accountable to the “ownership.”

Stakeholders include anyone *who may have interest* in your church and its mission, whether they realize it or not. This includes both *internal* and *external* stakeholders.

Internal stakeholders include church members, board members, staff members, former church members, and former staff members.

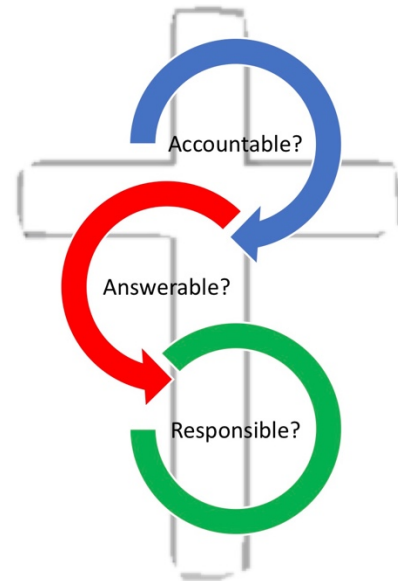
External stakeholders include those for whom the church provides ministry (social, spiritual, etc.), donors or granting agencies who are not members, community partners (including sister congregations, other congregations, para-church ministries, etc.), denominational organizations (regional, national, auxiliary organizations, mission and human care agencies, employee benefits organizations, financial institutions, etc.), community leaders (government leaders, activists, and others who influence the community), and the community around the church (neighborhood, city, state, etc.).



¹ Technically, the Church is the body of Christ, whose head is our Lord Jesus. Organizationally, this article explores the fiduciary responsibility of the leadership to those who have interest in the local congregation and its work. It’s a way for leaders to focus on being good stewards of the gifts Christ has given to his Church.

The reasons for identifying stakeholders (internal and external) include:

- to be aware of what impact and influence the congregation has among these groups;
- to be aware of what interest the stakeholders have in the church and its vision and mission;
- to be accountable to the stakeholders for the opportunity cost to the community (in other words, to be accountable for using people and other assets that would otherwise be available to the community);
- to be accountable to the stakeholders for the vision and mission established by the church leadership (Do we have the right vision and mission?);
- to be accountable to the stakeholders for achieving the vision of the church (Are we achieving our vision in the best way possible?).



When evaluating the opportunity cost to the community for the congregation to exist, the church's leadership considers the assets and efforts utilized by the church that others in the community could utilize if the church did not exist. The most valuable assets would be its people. How could these same people (members, leaders, staff) be used to benefit the community if the church didn't exist? Next would be the financial assets, including property. How could the community utilize these assets (financial, real estate, equipment, etc.) for other purposes if the church didn't exist?

The question for big picture leaders to ask is this: If this church ceased to exist, would the community be better off utilizing our people and physical assets in other ways? If the leadership ever answers "yes" to that question, then the leaders have a fiduciary responsibility to the external stakeholders to make a dramatic change:

- close the church and redistribute its assets; or
- redesign, redirect, or recreate the church in such a way that the question will be answered "no."

Obviously, the easiest group of stakeholders to communicate with are the internal stakeholders. But if the church ignores its responsibility to the external stakeholders, it will become self-focused and lose its perspective on its responsibility to the greater community.

Ultimately, church leaders are accountable to God for their work. But one way to live out that accountability is to identify the stakeholders and hold yourself accountable to them.

Ministry leaders are granted permission to copy this article (3 pages) and distribute within their own congregation, school, or other ministry. This permission excludes copying and distributing for the purpose of reselling it or for any other purpose without the written permission of Ambassadors of Reconciliation.

Leadership Training and Resources

Ambassadors of Reconciliation provides a wide array of training and resources to equip ministry leaders. For example:

- *Built on the Rock: The Healthy Congregation* by Ted Kober (Concordia Publishing House, 2017). Learn how you can strengthen the spiritual health of your church. This book provides guidance for leaders and leadership boards.
<https://www.aorhope.org/product-page/built-on-the-rock-the-healthy-congregations>
- *Built on the Rock Leader's Pack* (AoR, 2018). 25 years in the making, this comprehensive resource includes 400 pages of consultation and teaching material. Church leaders will be equipped through teaching on spiritual leadership as well as governance. Additional features include:
 - Sample constitution and bylaws
 - Sample policy manuals for elders, church council, and school board
 - Flash drive with reproducible contents of teaching and sample documents<https://www.aorhope.org/botr-leaders-pack>
- *Leadership Training and Consultation*. Based on extensive experience working with leaders of churches, schools, and other ministries, AoR has developed training to equip lay leaders and professional ministry workers to be more effective and productive in their vocations. We offer standard and custom training and consultation in the following areas:
 - *Spiritual Lay Leadership Training and Consultation*:
<https://www.aorhope.org/sllt>
 - *Structuring the Healthy Congregation Training and Consultation*:
<https://www.aorhope.org/governance-seminar>
 - *Policy Governance for Boards of Directors Training and Consultation*:
<https://www.aorhope.org/leadership-training>
- *NEW! On-line course Spiritual Leadership*
<https://www.aorhope.org/spiritual-leadership>
- AoR also provides extensive resources and training to equip leaders in conflict coaching, mediation, and adjudication. <https://www.aorhope.org/practicums>

For more information, see www.aorhope.org
or call Ambassadors of Reconciliation at 406-698-6107.