

# Structuring the Healthy Congregation

## *A Hybrid: Three-Board Model*



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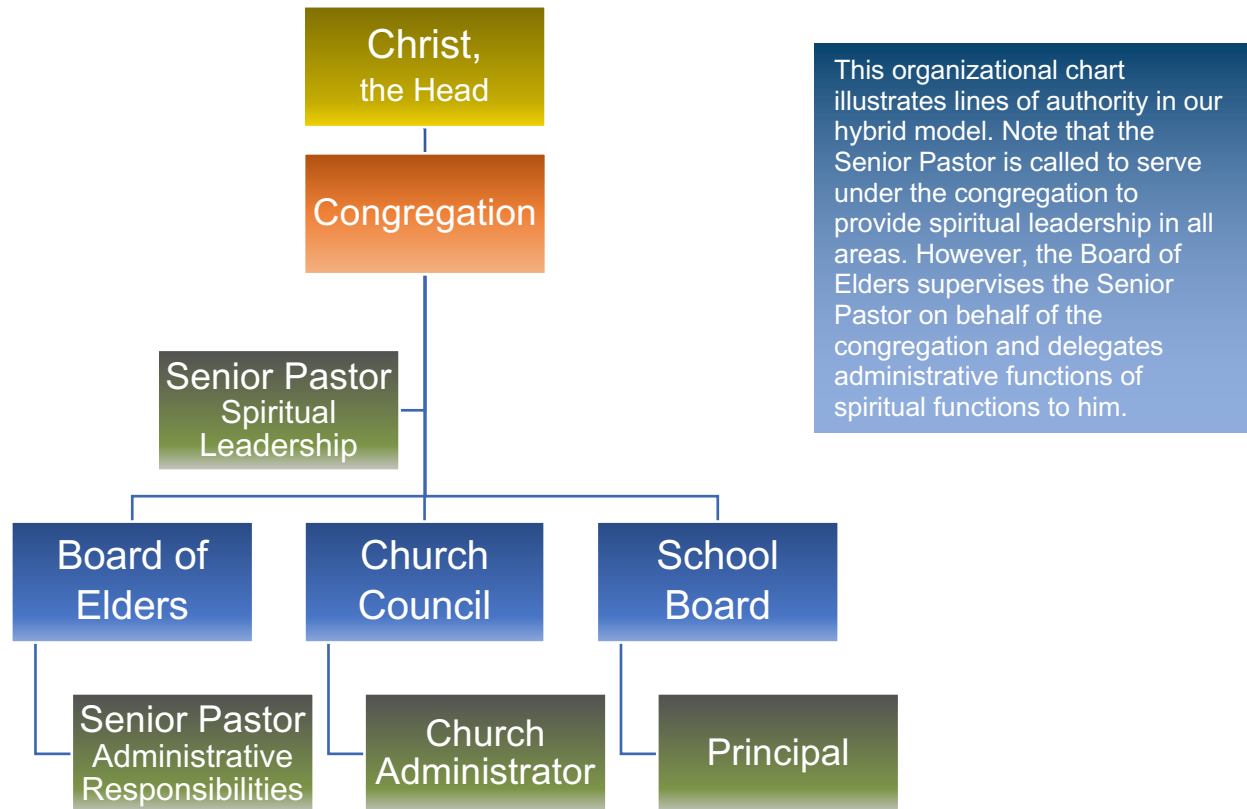
By Ted Kober, Senior Ambassador

*This article is drawn from Built on the Rock Leader's Pack.*

Many Lutheran churches are realizing that their organizational structure with multiple administrative boards no longer works well.<sup>1</sup> Some have chosen to replace that structure with a single board policy governance model. However, that model often fails to serve churches with a theology and practice of the Divine Call as utilized in the Lutheran Church—Missouri Synod.<sup>1</sup>

### Maximizing Benefits and Overcoming Weaknesses

Rather than replacing many administrative boards with a single governing board, a congregation may opt for a hybrid of the models. The congregation can establish two to three boards that serve distinct purposes but apply general principles of policy governance. In smaller congregations, the boards or staff may assign individuals or committees for serving in areas where a small staff may need assistance.



<sup>1</sup> Further explanation is provided in *Built on the Rock Leader's Pack* by Ambassadors of Reconciliation. See an interactive organizational chart at <https://www.aorhope.org/botr-leaders-pack> (scroll down to chart; move cursor over a specific role and click to reveal summary job description).

## Congregation

**The Congregation** serves as the overriding governing authority where churches organize using a congregational model. Instead of a voters' assembly (where people must obtain approval as a voting member), the congregation designates all confirmed members of legal voting age as voting members. The congregation limits its own actions and delegates all other governance and management functions to two or three boards. Actions reserved for the congregation include:

- Electing officers and board members.
- Approving a budget summary (single page that is connected to a summary ministry plan for the coming year).
- Calling pastors and commissioned ministers.
- Removing elected officers, called pastors, and commissioned ministers.
- Exercising the final step of excommunication (upon recommendation of the elders).
- Adjudicating disputes among the boards if necessary (may be delegated to a committee appointed for this purpose).
- Amending the constitution and bylaws.

## Board of Elders

**The Board of Elders** serves as the lay spiritual leadership of the congregation:

- Elected by the congregation for specific term; may serve unlimited number of terms.
- Supervises on behalf of the congregation and delegates to key staff person (called): Senior Pastor.
- Authorized to assist the pastor(s) in the oversight of the doctrine, life, and spiritual well-being of the congregation and school.
- Authorized to assist the pastor(s) in reviewing the spiritual work of the congregation and school, testing against the Scriptures and the Lutheran Confessions.
- Authorized to assist the pastor(s) in responsibilities of worship and providing pastoral care.
- Responsible for providing spiritual care of the pastor(s) and his (their) family(ies).
- Responsible for evaluating and monitoring the performance of the Senior Pastor.
- May serve as the call committee (at least partially) for filling pastoral vacancies and all commissioned ministers serving on the church staff.
- Does not use a corporate model of policy governance, but adopts policies together with the Senior Pastor.

- Delegates to the Senior Pastor the administration of all areas under spiritual leadership, including supervising staff, planning the budget, and directing the ministry functions to fulfill the spiritual mission of the congregation.

### Senior Pastor Administrative Responsibilities

Examples of areas under the Senior Pastor's direction (he may delegate some of these responsibilities to staff under his supervision):

- Preaching.
- Teaching of Bible class, Sunday School, confirmation, and VBS.
- Worship (including implementing policies for weddings and funerals).
- Spiritual teaching and worship in the school ministries.
- Evangelism, local missions, and global missions.
- Spiritual teaching and monitoring of spiritual health including worship attendance, communion attendance, Bible study attendance, Baptisms, stewardship (giving of time, talents, and treasures), and membership.
- Biblical conflict reconciliation.
- Pastoral counseling.
- Pastoral visits.
- Spiritual issues that arise in administrative functions (e.g., how social ministries interact with evangelism, how contracts should include Christian conciliation clauses, etc.).

### Church Council

**The Church Council** (may also be called Board of Trustees) serves as the governing board for social ministries and management of operations including fiscal, property, and legal areas:

- Elected by the congregation for specific term; serve limited number of consecutive terms.
- Supervises and delegates to key staff person (non-called; employed or volunteer): Church Administrator (may also be called Executive Director, Business Manager, etc.).
  - In smaller churches, this may be a part-time position, either paid or volunteer, or the responsibilities may be divided up and served by members of the Church Council or other designated persons or committees.
- The board is authorized to employ or terminate Church Administrator.
- Church Administrator is only hired with the approval of the Senior Pastor.
- Senior Pastor serves as a non-voting member.
- Chairpersons of Board of Elders and School Board serve as voting members.
- Uses policy governance to govern its specific assigned areas.

- Delegates to the Church Administrator the management of operations for all areas under administrative leadership, including supervising staff, planning the budget, and directing the social ministry and mission-supporting functions of the congregation.

### Church Administrator

Examples of areas under the Church Administrator's direction (he or she may delegate some of these responsibilities to staff under his/her supervision):

- Fiscal management including accounting, overall budgeting, and management of financial assets including memorial gifts, endowments, and foundations.
- Property management including maintenance, building programs, income property management, etc.
- Risk management including all insurance contracts for the church and school.
- Human resource management including establishing employee policies and compensation policies (does not include setting salaries or making hiring decisions that are delegated to others), employment procedures, performance evaluation policies, and procedures, etc.
- Legal management including contracts, liability concerns, proactive planning, etc.
- Social ministries such as food and clothes pantries, assistance for the poor, other human care needs, etc.
- Managing church cemeteries.

### School Board

**The School Board** (if the church operates a tuition-based education ministry such as day care, pre-school, Christian primary or secondary school) serves as the governing board for all school ministries:

- Elected by the congregation for specific term; serve limited number of consecutive terms.
- Supervises and delegates to key staff person (usually called; some contracted): Principal (or Director, Administrator, or Headmaster).
- Uses policy governance to govern its specific assigned areas.
- May serve as the call committee (at least partially) for filling vacancies in the office of principal or teachers.
- Assist the Principal in preparing lists of candidates for calling or contracting teachers.
- Delegates to the Principal the management of all areas under school administrative leadership, including supervising staff, planning the budget, and directing the school ministries.

### Principal

Examples of areas under the Principal's direction (he or she may delegate some of these responsibilities to staff under his/her supervision):

- Supervise school faculty and staff, including annual performance evaluations.
- Hire (and terminate) all contracted staff.
- Plan and manage a balanced budget.
- Select curricula for the school (the board sets policies, but the Principal selects).
- Develop and implement a school policy manual (school handbook).
- Determine the school calendar and events.

## Minimizing Conflict and Coordinating Work

The hybrid model requires that the boards coordinate their efforts and communicate with each other. Thus, the chairpersons of the Board of Elders and School Board and the Senior Pastor serve on the Church Council. Some churches may create an executive committee (chairpersons of the three boards, officers, Senior Pastor, Principal and Church Administrator) to officially negotiate disputes. Such a committee should be accountable to the congregation.

## What about responsibilities of other boards and positions?

Congregations that adopt the hybrid model assign the responsibilities of traditional boards and positions to staff and/or the two to three governing boards. Similar to a project committee, a ministry team may be formed to carry out specific ministry functions. For several ministry activities, what was once a board that reported directly to the congregation will be a team that serves under a key staff member or governing board. Note that in smaller churches, a staff member may be a volunteer who reports to the Senior Pastor (e.g., Sunday School Superintendent, VBS Director, etc.).

Learn more about ministry teams in the article, “Ministry Teams in the Hybrid Model of Governance.”



## Overcoming major weaknesses of single board and administrative board models



Under this hybrid model, there are multiple opportunities for people to serve in ministry other than on leadership boards. Moreover, those who serve on ministry teams are no longer required to be elected for a set term and attend regular board meetings. These servants need not concern themselves with

planning agendas or delivering reports. Instead, they are free to serve hands-on delivering ministry services.

Pastors, principals, church administrators, and other professional church workers no longer need to navigate through multi-level approvals to initiate new ministry ventures. They are freed to conduct ministry and administration without the interference of a board that wants to involve itself with daily operations.

The three governing boards focus on “big picture” issues, avoiding micromanaging the professional staff called and appointed to serve in daily operations of ministry. They need not worry about trying to manage the day-to-day operations of church and school ministry. They can focus on governing the church and school ministries to achieve the outcomes they identify.

Elected lay leaders are qualified according to biblical standards for service in the church. The spiritual health of the church improves when all her staff and lay leaders are known for their spiritual maturity and dwelling in God’s Word.

## **The Hybrid Three-Board Model: Pros and Cons**

Those who advocate a single board policy governance model express concerns about using a three-board model, such as:

- With three “governing” boards, there is more opportunity for role confusion and overlapping of responsibilities.
- Because there is no one staff person “in charge” of the entire organization, this will result in less efficiency of management.
- It is more difficult to determine whether or not the congregation is being “successful” in fulfilling its mission since the mission work is divided up among three different areas of responsibility.
- The Senior Pastor has less control over operations which impact the overall vision and ability of the church to achieve its mission.

It is true that this structure is less efficient than a one-board model. The most efficient form of governance is a dictatorship. But since we live in a world affected by sin, benevolent dictators are rare, if they even exist. People have learned throughout history that autocratic leadership models without checks and balances can lead to disastrous results.

When people express concern that three governing boards may experience conflict, I ask a question about their preference in government.

In America, we have three branches of government: legislative, judicial, and executive. Do these three branches of government ever disagree? Absolutely! Doesn’t that make our government less efficient? Of course! But then I ask, who in the United States would trade our three-branch government for a





dictatorship or monarchy? That form of governance is certainly more efficient. However, I have yet to find a taker.

Why? Three branches provide checks and balances, dividing the roles of different areas of governance. They overlap and at times disagree, but this tension provides balance in a system where great authority exists. A dictatorship or monarchy can certainly operate with less complications, but such a system provides great opportunity for misuse of authority.

## **Advantages of three-board model**

While the above concerns are valid, there are a number of advantages of the three-board model. No earthly system will be without its weaknesses or struggles, and no structure on this side of heaven will achieve perfection. However, the consultants at Ambassadors of Reconciliation believe that the following strengths of the hybrid model offset the concerns:

- The three-board model prioritizes the Senior Pastor's work as primarily spiritual and not administrative, consistent with Lutheran doctrine and practice of the divine call.
- This structure requires more lay spiritual leadership and responsibility than the one-board model, providing more consistency with the Lutheran church's understanding of the balance between clergy and laity<sup>2</sup>.
- The administrative functions of the church are assigned to people specifically educated and experienced in those areas, and yet still require the Senior Pastor's input and counsel as it relates to spiritual matters.
- It avoids the temptation of a board to be overly focused on evaluating the Senior Pastor's performance on easily measurable goals (similar to worldly corporate goals). Instead, it assigns the Elders to be more focused on spiritual health and spiritually defined goals (which include not only easily measurable goals but also more difficult areas to measure such as spiritual maturity and Christian witness).
- Policies for governing the school will be given much more consideration than a general board of directors that is responsible for everything in the church. (Past experience has shown that a general board of directors often slights the governance of the school simply out of having too much to be concerned about. The school often receives too little attention from the governing board.)
- The school ministries retain their own governing board, often required for achieving and maintaining certification. And yet, they are responsible for working together with the other boards and under the greater mission of the church.

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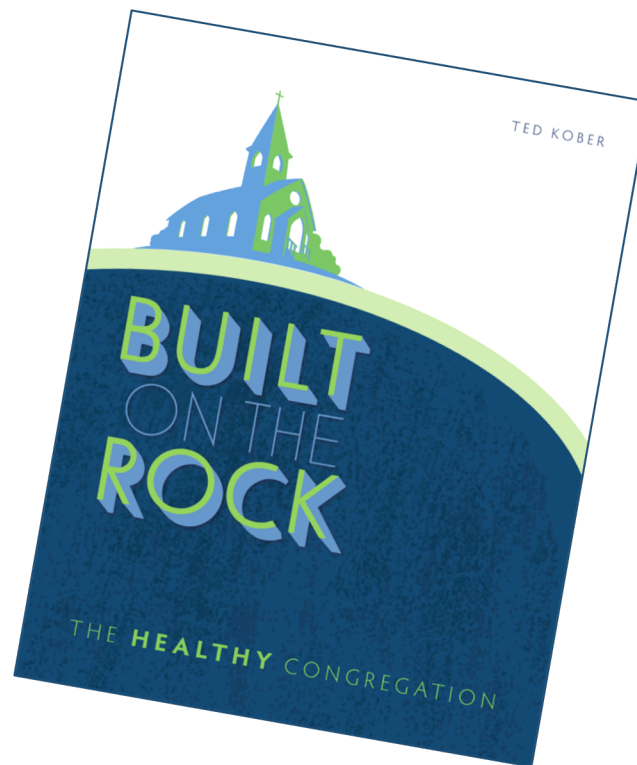
<sup>2</sup> See *Church and Ministry (Kirche und Amt)* by C.F.W. Walther (trans. J. T. Mueller, 1987, CPH).

## Summary

The hybrid model is designed to implement helpful principles of policy governance while providing checks and balances through a simplified multiple-board model.

But for a church, the form of governance is secondary in importance to the spiritual health of the congregation.<sup>3</sup> No matter the choice of structure, if the church is spiritually immature the structure will not eliminate its conflicts. On the other hand, even a poorly structured church will prove to be effective in spite of its poorly designed structure because the leaders know how to work together in the body of Christ.

Nevertheless, the healthy congregation should strive to structure itself so that roles and authority are clearly defined to guide the congregation in delivering ministry services.



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<sup>3</sup> See *Built on the Rock: The Healthy Congregation* by Ted Kober (available from [www.AoRHope.org](http://www.AoRHope.org)). Also note the on-line course *Spiritual Leadership* (<https://www.aorhope.org/spiritual-leadership>) and the live seminar *Spiritual Leadership* (<https://www.aorhope.org/sllt>) by 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](http://www.aorhope.org)  
or call Ambassadors of Reconciliation at 406-698-6107.