FINANCIAL VISION CASTING

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I. ISSUES IN FINANCIAL VISION CASTING

A. Financial vision casting fatigue—the long haul.

B. How to celebrate victorious milestones without making people complacent or thinking, "…they don't need my money…"

C. Conveying financial *needs* and financial *vision* are two totally separate issues.

NEED	VISION
Need is now—short term.	Vision is future—long term.
Need is urgent.	Vision is important.
Need gets smaller financial response.	Vision gets greater financial response.
Need appeals to lower socio-economic demographic.	Vision appeals to everyone including upper socio-economic demographics.
Week-to-week persons relate to needs.	Financially successful persons relate to long-term visionary thinking.
Blue collars will "bail" you out because of a need.	White collars refuse to "bail" out anyone due to need.
People "give" to needs.	People "invest" in vision.

II. COMMON QUESTIONS ASKED IN FINANCIAL VISION CASTING

A. How do we convey the financial needs of the church without being accused "always talking about money"?

"Always talking about money" in some cases is an earned moniker. However it also shows a lack of teaching on the subject of money and stewardship in a broad context. Most Pastors talk about money in the context of a need or tithe—rarely in the context of being and receiving financial blessings. "Prosperity" which is God's plan has been dubbed unspeakable due to some excesses on some leader's part.

Teaching on finances without asking for finances is critical antidote to "always talking about money".

B. How do we convey the financial needs without sounding alarming or looking like we did not plan well?

Conveying a financial *vision* is different from conveying a financial *need*. A need conveys a certain amount of urgency—shelf life. A vision is thought through and futuring.

Financial *needs* can arise in spite of the best planning. However, it should still give us pause for questioning as to what happened and how may we not experience this same scenario again.

So, sometimes it is alarming as well as the product of poor/no planning.

The best approach is always the honest approach. Lay all the cards on the table. Keep your comments on the "what" and *do not* go to the "who". In fact, tell the people no one is to blame—this is *what* happened.

This can however not become a repeated mode of operations. Remember the "Boy Who Cried Wolf" story.

People will respond generously and graciously to an honest explanation as long it does not become a habit.

C. How to communicate the need in a positive manner?

This is where financial vision casting comes in. Conveying a vision in a positive manner is never a challenge. Conveying a "need" often requires some spin.

The positive charge in conveying a financial vision comes from tying the vision of the house to the financial vision. Now, you are not raising money, you are fulfilling the vision.

For example, a youth building is to fulfill the church's vision to reach the youth. So, the money is not for the building but for reaching youth.

D. Who is the best one to receive the offering in services—senior pastor, staff member, deacon, or other?

This question has much to do with the context however the guiding principle here is that the success of the offering is in direct proportion to the visual credibility of the person receiving the offering.

Theoretically at least, the Pastor should have the highest visual credibility—hence the greatest success.

So, it matters not the position/title of the person receiving the offering—what matters is their visual credibility and ability to cast vision with appropriate choice of words.

E. Do you recommend annual campaigns for debt retirement, missions, etc?

I recommend a church to be in perpetual annual campaign of some nature. Understand this:

1. Only upper socio-economic demographic understands annual campaign.
2. Annual campaigns take more "teaching" than capital campaigns.
3. Annual campaigns are used for operations—non visual. Whereas capital campaigns are visual—brick & mortar.

Every church is in some type of an annual campaign but just does not recognize it. For example, resources raised for missions is one leg of the campaign. Offerings received for special speakers/events is one leg of the campaign. Offering received for benevolence is one leg of the campaign.

If you could visualize an umbrella as representing the totality of an annual campaign then all the spokes of the umbrella are beneficiaries of the campaigns.

How you organize that is defined by your context.

CASH

C – Church is both a ministry and a business.

The two go hand in hand and must work together. If there is too much business – it hinders ministry. If there is too much ministry – it could be out of business.

If there are too many pastors but not enough support staff – ministry is hindered.

A – Allow others who have business giftings to help you.

Get input from others. You have professionals in your church use them. They want to use their gifts for the kingdom.

S – Set aside funds

Be prepared for emergencies. Just because the church is a non-profit doesn't mean that you have to spend all the money.

H – Hire professionals.

Hire the very best that you can afford. Remember you get what you pay for.

What Senior Pastors need to know about church business and finance:

a. Start with ABC! The senior pastor must make sure that working relationships are developed with professionals who specialize in non-profit and/or churches including an Attorney, Banker and a CPA. These advisors should be utilized as an extension of the church's team. Keep them up to date on the ministry; get their "buy in". Although it is often difficult to justify paying up front for consulting fees, the value on the back end (ie – keeping your back end out of trouble) is immeasurable.

b. Staffing - get the best financial staff you can afford; you won't regret it. Hire people with integrity and backbone to really look out for you and the church (keep you out of the negative media). Look for people who can communicate not only in numbers, but who can explain financial data to the pastoral staff and the board. Absolutely do not relegate church financial matters to a spouse or family member…it just doesn't pass the smell test.

c. Financial Guidelines & Policies are a "must have" for the task oriented environment of accounting and finance. Have your finance person/staff work with the CPA to develop policies/guidelines that fit your structure and ministry. Internal controls should be put into place to protect ministry assets and your employees/volunteers. Educate your accounting staff, administrators and volunteer staff who deal with finances. Keep your staff accountable for financial decisions.

d. Develop relevant financial reports which follow your structure to enhance information for use in the ministry. Financial information should be collected and reported in such a manner that if issues come up in general reports, the data can be followed to more detailed reporting and finally to the originating information if needed. For instance, information should be collected so that general reports can be distributed for high level and third party review, such as bankers, executive staff and board members; and more specific reports can be produced from the data for department leaders, employees or volunteers with specific duties and accountability over a project or event.

e. Develop ways to look at relationships between financial data and non financial data. For example, look at the relationship between attendance and tithes/offerings on a weekly or monthly basis during the year. Research data that other ministries collect and compare which might be beneficial for you.

f. Develop a strategic financial plan which supports your short term goals and your long term vision. Map out how you will save money for special projects, disasters or down times. Have at least 3 to 6 months of operating expenses tucked away for emergencies. Develop a contingency plan in case disaster strikes so you'll be ready to move.

g. Insurance - Make sure all of your policies cover your current situation (building, personnel and ministry risks). Develop a risk management plan with a professional and make sure the plan changes with additions or changes in the ministry.

h. Be a great employer. Ministry is a service and employees are your inventory. Hire with care and prayer. Treat your employees the way you want to be treated. Each time there is a turnover in a staff position, you spend an additional 40% to 60% in addition to the hard cost (salary & benefits) of the new staff member. Develop your employees. When they believe in the mission and vision of the ministry and are empowered, they will make all the difference – they will make decisions with the ministry in mind instead of their own benefit.

i. Share financial data on a regular basis with your banker, attorney, CPA, board and executive team. They can all give insight and different views on the data that staff members who work with the numbers daily might not consider. Also, share general financial data with your contributors…the ministry should always be accountable to those who put their money and time into it.

j. Analyze and prepare for big financial decisions. Research and gather all relevant information to make sure the financial consequences work for your ministry in both the short and long term. Develop a system of prioritizing and approving major expenditures. Look at the cost versus the benefit (keeping in mind that you deal with people's lives…which is difficult to put into financial terms). Make sure you, your board and your staff are accountable for financial decisions – this keeps you out of the press.

RESOURCE:

Scott Fuller & Keela Narramore from the Oaks Fellowship, Dallas, TX www.oaksfellowship.org
Crown Financial Ministries— www.crown.org
Leadership Network— www.leadnet.org
Hartford Seminary— www.hartsem.edu