

#### **Review Article #4. Dan Hotchkiss, *Governance and Ministry. Rethinking Board Leadership***

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Dan Hotchkiss, *Governance and Ministry. Rethinking Board Leadership*. Herndon, Virginia: The Alban Institute, 2009. 249 pages.

From the first days of the church, governance and ministry (Acts 6) have linked themselves together in ways that directly affect the ability of a local congregation to grow and function well as a community. Today many consider governance as detrimental ministry. Yet, governance and ministry must find ways to co-exist within local churches because both are essential to church health and pursuit of a church's mission. Somewhere in the mix there is a group, a "board" that seeks to develop a congregation's capacity to achieve God's mission in their time and place. Dan Hotchkiss, a senior consultant for the Alban Institute, writes with the conviction that the "governance question", i.e. the processes that enable a congregation to make good decisions about major changes, empower "people to make it happen and hold them accountable for the results," lies at the heart of any congregation's ability to sustain its mission fulfillment.

Hotchkiss is careful to set the discussion about governance and ministry within the spiritual framework of a church. Governance within a church serves to balance "the transforming power of religion and the stabilizing power of organization" (p.1). The Holy Spirit's work cannot be controlled or bounded by any governance structure. Yet, life within a Christian community needs some order lest prejudice, unethical conduct, or religious zeal run amuck. So organization or governance is necessary both for disciplined empowerment and for healthy structure. Hotchkiss acknowledges that "there is no one right way to organize a congregation" but he also knows that congregations keep making the same mistakes when it comes to governance. Governance principles in his view can provide good guidance and prevent congregations from experiencing needless harm.

He offers three key measures that demonstrate the presence of effective governance:

1. "a unified structure for making governance decisions;"
2. "a unified structure for making operational decisions;"
3. "a creative open atmosphere for ministry", but with firm and well-marked boundaries (p. 5-6).

Other factors affect the shape of good governance, including the size of the congregation and the appropriate linkage of spiritual oversight and financial oversight. For Hotchkiss "governance is an expressive art, like preaching — the forms of our organizations must reflect the values at their heart" (p.15).

In his view three distinctive governance patterns dominate in churches and they are related to congregational size.

1. Smaller churches tend to be “**board-centred.**” Board members tend to be “leaders of programs and administrative areas” with a chair, secretary and treasurer. Churches often begin with a structure like this and it works well so long as the congregation is small. However, as a church grows, such a structure becomes limiting because it encourages a board to be managing and members to be advocating for some aspect of church ministry.

2. The second pattern is the “**committee-centred congregation.**” Hotchkiss identifies this structure when “both governance (deciding “what” and making sure it happens) and ministry (deciding “how” and doing it) are delegated by the board to its committees” (p.40). Such structures generate “the Map Theory of Committees, in which every inch of programmatic territory belongs to a standing committee.” The result is that authority gets lodged in committees, not the board. In this arrangement the board is basically a clearinghouse for issues and spends most of its time dealing with committee requests. A committee-centred congregation often finds itself in conflict because of the problem of triangular relationships, i.e. a particular committee or staff person does not know where the authority for decision-making lies. As more staff are added, committees multiply, and ministries increase in complexity the problems escalate. The results are a passive board, poor delegation, and fragmented staff.

3. The third model is the “**staff-centred congregation**” (p.48). A charismatic or entrepreneurial leader establishes the vision, recruits ministry teams to carry it out, and the board functions primarily in an advisory role. Such congregations can become vulnerable to the leader’s weaknesses or resignation, leaving the congregation in a fragile state.

Hotchkiss considers all of these arrangements to be somewhat flawed because they do not permit the four leadership roles of oversight, strategy, discernment and management to be accomplished effectively.

In his view oversight is a board responsibility. Management is something the staff does. Discernment and strategy are shared responsibilities between the board and staff. However final decisions may be processed, the decisions regarding big issues (major capital expenditures, program philosophy, outreach goals) have to be shared in some way. The congregation gets involved in some governance (i.e. it makes some key decisions), in some discernment (i.e. their input about major issues is required), and some management (i.e. as ministers of the Gospel). Where specific boundaries are drawn will be different due to issues of church polity, giftedness, and local traditions. With clarity about structure and governance, the congregation can pursue its mission vigorously and effectively.

Hotchkiss gives considerable attention to defining the work of the board. He emphasizes that a congregational board is a “fiduciary,” i.e. an entity “whose duty is to act in faithfulness to the interests of another, even at cost or peril to himself” (p.83). In his view the “owner” that the board serves is the congregation’s mission, “the small piece of God’s will that belongs to it” (p.85). In some sense the mission involves “changed human beings.” To accomplish their responsibility well, board members must exercise the duty of care (commit adequate time and

energy to know the mission and act responsibly), the duty of loyalty (the congregation's mission is paramount), and the duty of obedience (act in compliance with the congregation's foundational documents).

Boards accomplish their work by establishing policies that define how they will take responsibility for oversight, discernment, strategy and management. In some cases the board acts directly (oversight), share responsibility (discernment and strategy), and delegates them (management). The board's agenda must focus on the most important items and insure that it is discussing those matters that by policy are indeed its responsibility. Creating a board covenant is encouraged as means to institutionalize good board practices. Such a document defines basic duties of a board member and explains shared spiritual practices, expectations regarding financial support, and how the board makes decisions and handles conflict.

In his seventh chapter Hotchkiss reviews what a productive clergy-lay partnership looks like. His formula is to have deep, trusted collaboration that functions within firm, clearly-defined boundaries. The board needs to learn how "to delegate generously" (p.135), but to understand that such delegation still enables effective accountability. He encourages the board to define one staff leader, who normally will be the lead pastor. To sustain an effective partnership staff evaluation will be necessary, because "firm boundaries require accountability and accountability requires an atmosphere in which people give each other feedback" (p.143). He outlines what good evaluation entails (p.144).

Hotchkiss devotes a chapter to implementing changes in governance. He compares changes in a congregation to reprogramming a computer. Because congregations are social systems, significant change only happens when the congregation's values are challenged in a motivational and deep manner. "A system changes willingly when it sees change as a necessary way to continue being what it truly is" (p.160). He provides a three year process that can guide a board and congregation successfully through such significant changes.

His final chapter is entitled "Bumps along the Road." His basic premise is that stressful situations cause people to use default responses. Thus well-designed structures, policies, and practices can help a board and/or congregation ride out the storm well and counter unproductive, default responses. A sense of humour, openness to forgive, and appreciation that change is always slow and learning-intensive, help leaders to find their way. In such situations the leaders must rise to the challenge, not the system. Hotchkiss refers to T.S.Eliot's observation that we will never design "systems so perfect that no one will need to be good" (p.183). Even in churches people are never so good that they can dispense with good systems. Transitions of leadership can be particularly stressful. Problems with people and problems with money are given special attention. It is good to remember that "a flow of minor conflicts, complaints, and criticism is part of the normal 'noise level' of a congregation's life" (p. 198).

His book concludes with a brief bibliography, a board time analysis process, and a policy book outline.

Given the diversity of congregations and types of leadership structures he is addressing, Hotchkiss has written an excellent guide to good board practice. His proposals are judicious, his awareness of potential issues extensive, and his guidance for implementation wise. He has balanced well the spiritual work that church boards do and their responsibility to establish structures and practices that enable their work. The section that describes the real dangers of triangular relations in committee-centred congregations is very perceptive. As well his description of the relationship between board, staff and congregation in matters of oversight, strategy, discernment and management offers excellent guidance.

I would suggest the following areas that might be strengthened. First, I think the role of the church board chair deserves much greater attention. Periodically there is mention of such leadership, but it is very minimal. Yet, the primary leader who has to make the effort to accomplish much of what Hotchkiss discusses is in fact the board chair. Second, the relationship between the board chair and the lead or senior pastor deserves more attention, than the one paragraph that I noted. Here again, it seems to me, that the effective implementation of many of the great ideas expressed hinges upon the good relationship that these two leaders have within the life of the congregation. Third, I appreciate that denominational guidance for churches in matters of governance and ministry needs to be updated, but I think this is happening to a greater degree than Hotchkiss admits. Further, if individual churches depend upon parachurch agencies to help them in such matters, will they receive the followup and continued help and encouragement required over the long term to implement major governance and ministry changes.

Perhaps in all of these matters a more fundamental issue needs to be addressed and that is the commitment of senior pastoral leaders to the development and implementation of good governance within the local congregation. First, I am not sure emerging pastoral leaders are getting sufficient training in these matters. When they enter their pastoral ministry, many of these issues come as a surprise. Their view of the pastoral vocation somehow does not embrace the development of leaders in the church who can provide good governance. The result is that they cannot bring good understanding to these issues. Second, many pastors do not want to consider the development of good governance and the leadership of ministry operations as essential to their vocation. Churches call senior pastors expecting that such matters will be led well, but then discover that the pastor does not see these things as important to his leadership or part of his gifting and thus refuses to take responsibility for them, or does so grudgingly. Preaching, teaching, counseling and other aspects of ministry are desirable, but not the responsibility to see that the ministry vision the church has adopted is being implemented. Third, pastors resist being evaluated by boards. This is considered theologically inappropriate, or a threat to their position, or a questioning of their spiritual insight.

I think Dan Hotchkiss has provided a very helpful guide for church boards and church leaders to gain a deeper understanding of the integral relationship between governance and ministry, such that both are done well, for the benefit of the congregation.