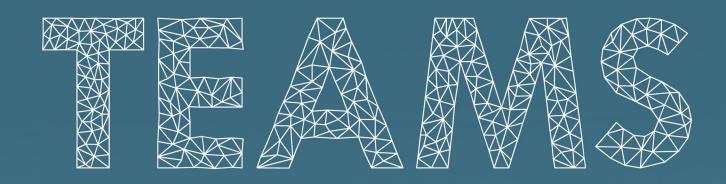
NEXTLEVEL



How Fast-Growing Churches Are Mobilizing Their Staff



Most leaders would say that their people are their greatest asset. Yet the "greatest asset" rarely receives the greatest level of investment. A great investment in staff members is far more than financial. In fact, the best forms of investment tend to go well beyond paychecks.

Great leaders of fast-growing churches are:

- » Hiring for the right fit.
- » Developing the gifts of leaders.
- » Organizing individuals into healthy teams.
- » Clarifying how each person contributes to the vision.

Each of these is an invaluable investment in the growth and health of a staff, and ultimately, the health of the church.

In our time leading churches and helping hundreds of others, we've seen first-hand the impact that a great staff with a clear structure can make in a community. We're passionate about understanding how the Church is doing in this area and how we might help. That's why we initiated a research project in hopes of helping churches build more effective teams.

In September 2014, we asked church leaders to share the details of their current practices regarding senior leadership teams, structure alignment, goal-setting, hiring, leadership development, and more. We had 628 leaders respond! We're grateful for their time and effort to help get church staffing and structure unstuck.

We spent months analyzing the data, seeking to discover what the most effective churches are doing that others are not. This report contains our most significant findings. Some points are surprising. Others are downright shocking. Our hope is that all of it helps church leaders make the investments their teams need to lead at the next level. So take some time to read through the findings and determine what insights you can apply to your staff.

We're looking forward to seeing your greatest asset become even greater!

Sincerely,

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TABLE OF CONTENTS

[Click to advance to the section that most interests you.]

1. WHO PARTICIPATED IN THE SURVEY?	4
2. HOW HEALTHY WERE THE CHURCHES THAT PARTICIPATED?	5
3. KEY INSIGHTS ON SENIOR LEADERSHIP TEAMS (SLTs)	6
4. THREE CRITICAL CHARACTERISTICS OF A SENIOR LEADERSHIP TEAM	7
5. STRUCTURE ALIGNMENT	9
6. HOW DO MEGACHURCHES USE FEWER STAFF?	10
7. CLARITY OF JOB RESPONSIBILITIES AND GOALS	11
8. HIRING STAFF	12
9. THREE KEY LEADERSHIP DEVELOPMENT PRACTICES	13
10. OPENNESS TO NEW EMPLOYMENT	14
11. CHURCH HEALTH SCORES: A BALANCED MEASUREMENT	15
12. THE EIGHT GREATEST FACTORS THAT IMPACT CHURCH HEALTH	16
13. MOVING FORWARD FROM HERE	19

WHO PARTICIPATED IN THE SURVEY?

The Staffing and Structure Survey saw a great turnout, with hundreds of church leaders across the country responding. Here's a snapshot of who we saw participate:

628 paid-staff members participated; 395 fully completed the survey

83% of respondents said they are on the Senior Leadership Team of their churches

» Senior Leadership Team (SLT) was defined as "the highest level group of staff leaders who meet regularly to discuss the direction of your church."

The top three positions held by respondents were Lead Pastor (28%), Executive Pastor (19%), and Administrative Pastor (9%)

Average church weekly attendance of respondents is 1,580 people.

» Minimum: 30

» *Maximum:* 24,000



Attendance of 0-499: 164 churches



Attendance of 500-999: 115 churches



Attendance of 1,000-2,999: 123 churches



Attendance of 3,000-24,000: 57 churches

HOW HEALTHY WERE THE CHURCHES THAT PARTICIPATED?

Reflective of the Church across America, the churches who participated varied significantly in health. Growth rate and baptisms are two critical indicators of health. Growth rate defines how well a church is doing at reaching beyond itself. Baptisms as a percentage of attendance indicate how well the church is doing at reaching the unchurched.

The average church grew in attendance by 10% between 2013 and 2014.

Minimum: -55%*Maximum*: 133%

» Note: All attendance growth mentioned in this report reflects annual growth January-August 2014 vs January-August 2013

Churches 0-499 in attendance grew by 12% on average; slightly faster than any other size range.

The average church baptized 6.6% of its weekly attendance over the previous 12 months.

» Minimum: 0%» Maximum: 120%

Baptisms as a percent of a church's attendance indicates the degree to which it is reaching the unchurched. There is no correlation between the size of a church and the percent of its attendance that it baptizes. In other words, larger churches are not necessarily any more effective at reaching the unchurched than smaller churches.

62% of church staff members agree that their church is "healthy and growing."

Staff of megachurches are more likely to agree that their churches are "healthy and growing" even though smaller churches (fewer than 500) actually grew slightly faster on average.

- » Average level of agreement from megachurches (3,000+): 4.06 out of 5
- » Average level of agreement from small churches (less than 500): 3.14 out of 5



Nearly half (47%) of church staff members do <u>not</u> believe that their church's staff is "healthy and effective."

Clearly there is a need for improved health among the church staff teams. For further discussion on church health along with the greatest factors that impact it, see the section titled Church Health Scores: A Balanced Measurement.

KEY INSIGHTS ON SENIOR LEADERSHIP TEAMS (SLTs)

The Senior Leadership Team (SLT) is the highest level group of staff leaders who meet regularly to discuss the direction of the church. This group sets vision, strategy, and action plans that guide the entire organization. With this level of influence, the health of the SLT is the single greatest contributor to the health of a church. Considering its importance, below are our most valuable insights related to Senior Leadership Teams:

How Large is the Average Senior Leadership Team?

The average Senior Leadership Team consists of five staff members. Only 10% of teams consist of eight or more individuals. In our experience, teams of more than eight people greatly struggle to have valuable conversations and make clear decisions.

Senior Leadership Teams are often male-dominant; especially among megachurches.

41% of Senior Leadership Teams do not include a woman. Megachurches with 3,000+ people in attendance are the least involving of women.

- » Avg. number of women on the SLT's of churches less than 3,000: 1.24
- » Avg. number of women on the SLTs of churches 3,000+ is 0.8.

Larger churches have Senior Leadership Team members with longer tenures as part of the paid staff.

Denominations that regularly move leaders between churches could very well be stunting the growth of those churches.

- >> Attendance 0-499: Avg. tenure of SLT members is **8 years**
- » Attendance 500-999: Avg. tenure of SLT members is **9 years**
- » Attendance 1,000-2999: Avg. tenure of SLT members is **10 years**
- >> Attendance 3,000-24,000: Avg. tenure of SLT members is **12 years**

On average, churches that report having a unified SLT are growing more than twice as fast as those that do not.

Without unity, it is incredibly difficult to create and maintain progress in a consistent direction.

- >> Churches in which the SLT is said to be unified: 12% growth
- >> Churches in which the SLT is said to not be unified: 5% growth

Churches that report having a strategy set by the Senior Leadership Team are growing twice as fast as those who do not.

A clear strategy from the SLT puts everyone on the same page about how to make progress. Without a strategy from leadership, it is nearly impossible for a team to move forward together.

- >> Churches in which the SLT is said to set strategy: 12% growth
- >> Churches in which the SLT is not said to set strategy: 6% growth

THREE CRITICAL CHARACTERISTICS OF A SENIOR LEADERSHIP TEAM

In this survey, we asked churches about various characteristics of their Senior Leadership Teams. Our analysis revealed that three specific characteristics *in combination* have an incredible impact on the growth of a church! Churches with only one or two of these characteristics do not perform any better than the average church. The difference appears to be made when a Senior Leadership Team has all three of the following characteristics together:



1. Distinct Roles with Clear Responsibilities and Measurable Goals



2. Clear Strategy that is Implemented throughout the Entire Organization



3. Every Program and Ministry is Ultimately Connected to a Member of the Senior Leadership Team

Churches whose Senior Leadership Teams exemplify the three critical aspects are growing 70% faster than the average church!



Average attendance growth in all churches: 10%



Average attendance growth in churches with the Three Critical Characteristics of the SLT: 17%

Larger churches are more likely to give SLT members distinct roles with clear responsibilities and measurable goals.

- » Average level of agreement with a statement regarding distinct roles with clear responsibilities and measurable goals:
 - Attendance 0-499: 3.1 out of 5
 - Attendance 500-999: **3.5** out of 5
 - Attendance 1,000-2999: **3.5** out of 5
 - Attendance 3,000-24,000: **3.9** out of 5

Of the Three Critical Aspects, Senior Leadership Teams are least likely to *implement a strategy throughout the* entire organization.

>> Fewer churches reported having a strategy implemented throughout the organization than any of the other three critical aspects.

Megachurches (3,000+) are most likely to connect every program and ministry to a member of the SLT. Small churches (Under 500) are the least likely.

Despite having the resources to support more programs and ministries, megachurches (3,000+) are more likely to keep all activities connected to senior leaders. This can be done through a clear structure with reporting relationships. Small churches, despite the likelihood of having fewer programs and ministries, seem to struggle more to keep everything connected to senior leadership.

- » Average level of agreement with a statement indicating every program is ultimately connected to someone on the SLT
 - Attendance 0-499: 3.4 out of 5
 - Attendance 500-999: 3.9 out of 5
 - Attendance 1,000-2999: 3.9 out of 5
 - Attendance 3,000-24,000: 4.3 out of 5

STRUCTURE ALIGNMENT

Once a Senior Leadership Team establishes a clear strategy for ministry, it can begin aligning the church's staff structure around that strategy. An aligned structure places everyone in the best position to play his or her part in accomplishing the vision. It also leaves no room for any position that is outside the church's vision and strategy. Here's what we learned about the value of structure alignment within churches:

Churches that have a structure built around a clear strategy for ministry are growing 50% faster than those that do not.

Building the structure of a church staff on its strategy ensures everyone's work contributes directly toward a focused vision.

- » Avg. attendance growth in churches with a structure built around a clear strategy for ministry: 12%
- » Avg. attendance growth in churches without a structure built around a clear strategy for ministry: 8%

Churches of fewer than 500 are least likely to have a staff structure that is built around a clear strategy for ministry.

As a church staff becomes larger, senior leaders may find greater need for an aligned structure that keeps everyone focused on the right things. However, small churches could benefit from aligning their structure early. That alignment cannot take place without first developing a ministry strategy.

- » Average level of agreement with the statement, "Our staff structure is built around a clear strategy for ministry."
 - Attendance 0-499: 3.0 out of 5
 - Attendance 500-999: 3.6 out of 5
 - Attendance 1,000-2999: 3.5 out of 5
 - Attendance 3,000-24,000: 3.6 out of 5

Churches with fewer staff members per capita actually grew more quickly.

We often encourage churches to hire the equivalent of one full-time staff member for every 100 people in weekly attendance. This seems like a stretch for many leaders. However, churches who have followed this lean staffing practice are growing over twice as fast as the average church. This is likely due to the increased involvement of volunteer leadership.



Average attendance growth in churches with an Attendance to Staff ratio less than 100:1: 8%



Average attendance growth in churches with an Attendance to Staff ratio of 100:1 or greater: 17%

HOW DO MEGACHURCHES USE LESS STAFF?

There is no doubt that megachurches have much larger staff teams than the average church. However, a deeper look reveals that megachurches actually use far less staff per capita. As the data below illustrates, it seems clear that this lean staffing approach is made possible by equipping more volunteers to use their gifts in ministry. Staff members at larger churches are not just leading ministry. They are leading volunteers to lead in ministry.

Megachurches (3,000+) are twice as efficient in staffing as small churches (under 500).

On average, megachurches hire one full-time equivalent (FTE) for every 113 attendees. Small churches hire one for every 56 attendees. This is a significantly different approach to staffing!

- » Attendance 0-499: 1 FTE for every 56 attendees
- » Attendance 500-999: 1 FTE for every 82 attendees
- » Attendance 1,000-2999: 1 FTE for every 85 attendees
- » Attendance 3,000-24,000: 1 FTE for every 113 attendees

Megachurches are able to staff more efficiently because they rely three times more heavily on volunteers to do ministry.

The average staff member at a megachurch (3,000+) is responsible for 47 volunteers. A small church (under 500) staff member leads just 16 volunteers on average.



Attendance of 0-499: **16** volunteers per staff member



Attendance of 500-999: 13 volunteers per staff member



Attendance of 1,000-2,999: 25 volunteers per staff member



Attendance of 3,000-24,000: 47 volunteers per staff member

Many churches talk about adding staff ahead of growth. Yet far fewer seem to mention the need to build larger volunteer teams for growth. It seems the second could actually be more practical than the first.

CLARITY OF JOB RESPONSIBILITIES AND GOALS

Once senior leaders have aligned the structure of their organization, they must clarify the responsibilities and goals of each person. Without being shown exactly what is expected of them, church staff members are left to define their roles for themselves. This level of individual interpretation can quickly lead a team to behave more as a set of individuals. Providing each person with clear responsibilities and measurable goals is the best way to integrate your vision and strategy into the fabric of your organization.

Churches that provide employees with both (1) clear job responsibilities and "wins" AND (2) clear, measurable goals are growing 40% faster than the average church!

Clear job responsibilities provide long-term perspective for each person's role in a church. A well-defined job description clarifies the "wins" for each position and helps staff feel sure of expectations and how to exceed them.

Measurable goals translate those big-picture job responsibilities into short-term priorities. They let each person know what is personally important for them right now and the level of results they are expected to achieve in the near future. Defining measurable goals for the entire church is a start. But until those organizational goals are turned into individual goals for each person, it is difficult to know if or how they will be accomplished.

- » Average growth rate for churches providing staff with both clear responsibilities and goals: 14%
- » Average church growth rate: 10%

Megachurches (3,000+) are twice as likely as smaller churches (Under 500) to have clear, measurable goals.

Goals are necessary for leaders of large staff teams to maintain alignment across all areas of ministry.

- » Attendance 0-499: 26% have clear, measurable goals
- » Attendance 500-999: 29% have clear, measurable goals
- » Attendance 1,000-2999: 40% have clear, measurable goals
- » Attendance 3,000-24,000: 53% have clear, measurable goals



HIRING STAFF

Once a church has established a strong leadership team, built its structure on strategy, and established staff goals, leaders are faced with the challenge of growing the team. Here are two insights we discovered on the hiring practices of churches:

Nearly half of churches (46%) make most of their hires from within their congregations.

Hiring internally helps to ensure that a new staff member is already bought in to the vision and values of the organization. One of the best places to look for new staff members is among volunteer leaders. Churches that struggle to find new staff internally may need to improve at developing volunteer leaders.

56% of megachurches (3,000+) make most of their hires from within their congregations.

Many megachurches seem to have discovered the value of hiring internally. Their greater reliance on volunteers as previously described likely further enables their development of lay persons into staff.

Over half of church staff members (61%) say that the diversity of their staff team does not reflect the diversity of the community they are trying to reach.



Even among larger church staffs, the reported level of diversity does not improve.

THREE KEY LEADERSHIP DEVELOPMENT PRACTICES

Beyond hiring staff and providing clear responsibilities and goals, churches must develop the leadership potential of their staff members. It seems that the growth of leaders is closely linked to the growth of a church. In fact, we've uncovered three key leadership development practices associated with high-level church growth.



1. Intentional Leadership Development Strategy



2. Financial Investment in Staff Development (via conferences, courses, trainings, etc.)



3. Specific Person Responsible for Developing Leaders

Churches with all three key leadership development practices are growing over twice as fast as the average church!

It seems clear that three practices make a significant difference on the growth of a church. In fact, it appears to be *the combination of all three* that makes the difference. Churches with just any two of the three key practices do not perform any better than the average church.



Average growth rate for churches with any two of the three key practices in place:



Only 11% of churches have implemented all three practices in combination.

Leadership development may be the greatest area in which the vast majority of churches have the opportunity to improve.

The lack of a leadership development strategy is the greatest missing piece among most churches.

In fact, there are more churches with someone on staff who has the responsibility of developing leaders (30%) than there are that have a leadership development strategy (19%). This suggests that at least 11% of churches have a staff member trying to develop leaders without a clear strategy for doing so. Additionally, most churches are spending money on leadership development without a clear strategy behind the expense.

- » Only 19% of churches have a leadership development strategy
- » 30% of churches have someone on staff with the specific responsibility of developing leaders
- 72% of churches financially invest in the development of their staff

OPENNESS TO NEW EMPLOYMENT

In addition to hiring and developing staff members, senior leaders must be intentional about retaining them. Staff turnover comes with significant financial and intangible costs. With that in mind, we asked church staff members how open they are to new employment. Their response was startling. Even more surprising was the openness of lead pastors to leaving.



1 in 4 Lead Pastors (26%) is open to new employment.

When staff members perceive that their church and its staff team are healthy, they are much more committed to staying.

Leaders who desire greater commitment from staff should focus on creating a healthy and effective culture.

- » Just 31% of staff members who believe their church is healthy and growing are open to new employment.
- » Also, just 31% of staff who believe the staff team of their church is healthy and effective are open to new employment.



1 in 2 staff members (51%) is open to new employment. (excluding Lead Pastors)

11% are either actively looking for a new job or considering resignation without a new job in place. Staff members (excluding lead pastors) at churches of 0-499 are the least committed group. 60% are open to new employment.

When staff members believe their church is healthy and growing, they are half as likely to be open to new employment! (including lead pastors)

- » Among church staff members who do not believe their church is healthy and growing, 65% are open to new employment.
- » Among church staff members who believe their church is healthy and growing, just 31% are open to new employment.

Want to increase the commitment of your staff? The best way may be to develop the health of your church! The following section provides insight into how you can do just that.

CHURCH HEALTH SCORE: A BALANCED MEASUREMENT

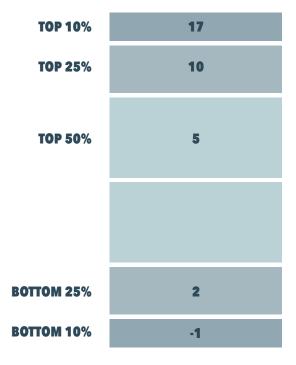
For this survey, there were two measurements of health used to assess a church: attendance growth and the number of baptisms as a percentage of average attendance. A score was derived combining the two measurements, yielding an overall church health score. Under the belief that the size of a church is not necessarily an indication of its health, the health score gives more weight to the baptism measurement than attendance growth (it is a 60/40 split, in terms of weights). Baptisms suggest the degree to which a church is reaching the unchurched in its community. By assigning more weight to baptisms, the results of analysis depict that a "healthy" church is not simply concerned with the number of people attending services, but rather, who the church is reaching.

Technically, the highest possible health score is 100. A score of 100, however, is very unlikely. To achieve a 100, a church would have to double its attendance and baptize 75% of its congregation on a yearly basis.

Based on our data, for a church to be in the top 10% of healthiest churches in America, it must have a health score of at least 17. To be in the top 25%, a church's health score must be at least 10. The average health score is 7.4. As an example, a health score of 7.4 could be the result of growing attendance by 9% and baptizing 6% of the congregation.

We believe that a reasonable target health score for a church is 10. This would represent a 10% yearly increase in attendance and 10% of the congregation baptized yearly.

HEALTH SCORE PERCENTILES



FOOTNOTF:

Church Health Score = 0.4[(x-y)/y] + 0.6[z/(0.5(x+y))]x = 2014 Avg. Attendance || y = 2013 Avg. Attendance || z = 2014 Baptisms

THE EIGHT GREATEST FACTORS THAT IMPACT CHURCH HEALTH

A strategy describes the practical steps an organization will take to accomplish its overall mission and vision. Many churches have an overall mission and vision, yet fail to address the strategic, practical steps needed to accomplish them. From the evidence to follow, it is clear that strategy is among the greatest factors that impact the health of a church.

1. Strategy Throughout the Organization

Churches that *implement strategy throughout the entire organization* have a health score twice as large as churches that do not.

- » Average health score of churches that implement their strategy throughout the entire organization: 9.55
- » Average health score of churches that do not implement strategy throughout the entire organization: 4.28

It is important that all members involved within the church be on the same page about how the mission and vision will be accomplished.

2. Structure Built on Strategy

Churches that build staff structure around a clear strategy for ministry have a health score twice as large as churches that do not.

- » Average health score of churches in which staff structure is built around a clear strategy for ministry: 8.80
- » Average health score of churches in which staff structure is not built around a clear strategy for ministry: 4.36

Churches can improve their overall health if they take into account their strategy when structuring their staff.

3. Clear, Measurable Goals

Churches that define clear, measurable goals for staff members have a health score 23% greater than churches that do not.

- » Average health score of churches that define clear, measurable goals for staff members: 8.80
- » Average health score of churches that do not define clear, measurable goals for staff members: 4.36

Each of the first three characteristics contributed to average church health scores in the top 50th percentile. However, when churches begin to combine these three approaches, their overall health improves even more significantly.

When churches combine (1) a strategy implemented throughout the organization, with (2) a structure built on strategy, along with (3) clear, measurable goals, their health scores increases to an average of 11.2. This is within the top 25th percentile.

Avg. Health Score in churches combining the three strategic moves:



Avg. Health Score among all churches:

11.2

7.4

4. Clarity of Job Responsibilities

When staff members have a clear understanding of their job responsibilities and defined "wins," churches experience a health score two and a half times greater.

- Average health score of churches whose staff have a clear understanding of their job responsibilities and defined "wins:" 7.57
- » Average health score of churches whose staff does not have a clear understanding of their job responsibilities and defined "wins:" 3.07

In order for a church to pursue its vision and strategy, its staff members must have a clear understanding of how their roles directly contribute to the organization's success.

5. Leadership Development Strategy

Churches with a leadership development strategy have the highest average health score of any other group with a single shared characteristic! That health score is almost twice that of churches that do not have a leadership development strategy.

- » Average health score of churches that have a leadership development strategy: 10.3
- » Average health score of churches that do not have a leadership development strategy: 5.66

A leadership development strategy is well thought out, intentional, and documented so that staff members have a clear understanding of how they will be personally invested in over time.

6. Strategy Set By the Senior Leadership Team (SLT)

Churches with a strategy set by the SLT have a health score of almost three times that of churches that do not.

- » Average health score of churches with a strategy set by the SLT: 8.34
- » Average health score of churches without a strategy set by the SLT: 3.08

Healthy churches have senior leaders who clearly define how the mission and vision will be accomplished. That clarity is then carried throughout the various layers and ministries of the organization.

7. Unity Among the Senior Leadership Team (SLT)

Churches that experience unity among members of the SLT have a health score of three and a half times greater than those those without a unified SLT.

- » Average health score of churches that experience unity among their SLT: 8.02
- » Average health score of churches that do not experience unity among their SLT: 2.31

When there is unity among those setting strategy, it leaves little room for confusion and sets a clear direction for the rest of the staff team.

8. All Programs Connected To the Senior Leadership Team (SLT)

Churches that have all programs connected to a member of the SLT have a health score twice that of churches that do not.

- » Average health score of churches in which all programs are connected to a member of the SLT: 7.57
- » Average health score of churches in which not all programs are connected to a member of the SLT: 3.73

Connecting all programs to the SLT helps to ensure that every activity aligns with the church's strategy. This can be done through direct reporting relationships in churches with several layers of leadership.

MOVING FORWARD FROM HERE

All of these insights on church staffing and structure can certainly be a bit overwhelming. It begs the question, "What am I supposed to do with all of this information?" You might try this simple exercise to start building your Next Level Team:

- 1. Distribute this report to key members of your staff.
- **2.** Ask each person to read the report and highlight the best practices they feel your church needs.
- **3.** Come together and write everyone's highlighted statements on a whiteboard. Discuss the impact each best practice could have on your team.
- **4.** Together, select the three best practices that you believe, if applied, would have the greatest impact on your church and community.
- **5.** Establish a task force to create a plan for implementing each one. Make a different person responsible for the success of each task force.

Our discussion of these insights doesn't end with this report. Over the coming months, we'll use our blogs and newsletters to highlight critical insights and recommend specific steps. As always, please let us know if we can help you specifically along the way. We're excited to see you develop a Next Level Team!

Next Level Teams is a research project from The Unstuck Group and Vanderbloemen Search Group.

About The Unstuck Group

About Vanderbloemen Search Group

Vanderbloemen Search Group is the premier pastor search firm dedicated to helping churches and ministries find their key staff. The firm provides consulting services customized for each client's staff structure, long-term and emergency succession planning, and thorough compensation analyses. The company is based out of Houston and serves churches and ministries around the world. Learn more by visiting Vanderbloemen.com.