

# A Church Government Revolution

How to design a leadership structure  
that avoids splits and enhances growth



Five Critical Building Blocks that will help prevent your Worst Church Nightmares

**Peter Haas**

# *Church Government Revolution*

(A summary)

Let's face it, nobody thinks about a churches' government when they join it; but, a lot more think about when things get funky. And the same goes for leadership boards. At first, when you ask someone to serve as an elder, trustee, or pastor, they usually feel honored. They beam with excitement thinking: "*Wow, what an honor to be able to serve God's people!*" But, like the morning after a Las Vegas wedding, they eventually wake up thinking: "*What did I get myself into?*" After all, many churches look great on the surface; but, their authority structures are about as functional as Sadaam Hussein's Iraqi regime.

You see, most people don't know a thing about healthy elders, healthy bylaws, and healthy church governments. It's a lot like our national governments. We didn't choose them. We were born into the system. But it doesn't need to be this way!

For example: Imagine if you grew up playing tennis blindfolded, you generally won't question those rules because, that's all you've ever known. But what if there was a more fulfilling way to play? What if there was a better way to do things?

In the same way, what if there was a smarter way to structure a church board? What if you could minimize your odds of board stalemates and splits while maximizing accountability? What if you could structure your government to keep your focus on ministry rather than corporate politics? What if "fun" could saturate even the most high pressure church decisions?

Well, the good news is this: it can. After studying dozens of church splits and church government systems, we will "open up the machine" and investigate the parts. In this penetrating sociological critique, you'll discover the critical building blocks of every healthy church government.

So, if you're a pastor, or even just a fan of healthy church systems, this treatise is a "must-read". You see, it's time we start learning what some of the fastest growing churches on the planet have figured out: Not all church governments are equal.

But, I'm gonna warn you: If you're looking for an easy read – forget about it. This is *not* a devotional book for your aunt-mabels bible-study group. Think of this more as a technical manual for full-time pastors and polity experts. (So get some sleep and have an energy drink before you pick this up.) But, don't fear, the results will be invigorating. A happier, gentler, and more efficient church government is waiting for you on the other side!

P.R. Haas

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## **Introduction:**

# Why should we study church governments?

*“Nobody thinks about church government when they join a church;  
but, a lot more think about it when they’re crawling away from a church disaster.”*

Most people don’t give a rip about their church government – until things start falling apart. I mean, *“everything seemed great when Pastor Joe was still here!”* But now that Pastor Bob’s deep passion for miming has been fully realized on Sunday mornings, people are starting to wonder if there’s a secret ejection seat in the church.

But seriously, the wisdom of a church government is usually not even realized until there’s a turn-over in senior pastor or a crisis occurs. (E.g., the pastor falls into sin, a treasurer doubles the churches’ money in Vegas, or, an elder decides to split the church over the number of songs being done on Sunday morning.) And suddenly, the legal rules which govern the churches’ operation becomes everyone’s new obsession.

Of course, there are many different varieties of church governments. Over the centuries, there have been at least three or four classic forms. The only problem is this: very few people have studied the statistical effectiveness of these governments. And very few understand how the strengths and weaknesses of these governments will affect both the health and longevity of their churches. Certainly, the motive behind most church polity is to provide safe governance for God’s people. But the raw truth is this: Some governments do this better than others.

In many ways church governments are similar to secular governments. In theory, all governments are supposed to “serve and safeguard their people.” But we all know that this doesn’t always pan out. For example, Soviet-styled Communism advocated all sorts of idealistic principles; yet, in the end, that system caused millions of people to go hungry. The people who advocated that system failed to understand the value of free-markets. They failed to understand the benefits of healthy competition. And, despite their best intentions, that system ultimately robbed its people of stability, growth and longevity. And many church governments unwittingly do the same.

You see, governance systems affect the health, the growth, and the economics of the body they serve. Certainly, we’d all like to think that our churches have strong constitutions; but, statistically, this is not true.

Pastors across America obsess about church growth; yet, very few look in the direction of their government – mainly because most denominational churches don’t have a choice. For better or worse, denominational systems are an obligation to be inherited. And in order to belong, pastors must accept the dictated format – regardless of how antiquated the system is. As one pastor friend told me: *“Politically I can’t afford to question our governance.”*

But, research is starting to show that you can’t afford to *NOT* to ask questions about your governance. As you will soon find out, the odds of your church continuing to grow after two decades with the wrong form of government is very slim.

Even more, there is also a science behind how church splits form. Church splits aren’t some mystical air-borne disease that you contract by accident. Even more surprising, they aren’t merely due to human immaturity either! Yes, human failures *do* play a large role; But, there are systemic constitution problems too! In other words, certain governance systems tend to have “higher rates of in-fighting” than do others. Thus, many leading church polity experts are now learning that: *“Bad forms of church government can tempt good people to behave badly.”*

So, when we talk about church governments, we are not merely talking about some boring legal document filled with parliamentary procedures. We’re talking about your very ability to grow. Nobody thinks about it when they join a church; but, a lot more think about it

when they're crawling away from a church disaster. So, it's time we get serious about analyzing the governments that we're adopting.

Just as important, we need to understand how leaders should play their roles correctly. If you're an elder, trustee or senior pastor, you probably weren't taught much on how to play those roles. In marriage, role definition can be a huge source of tension. It can take several years before the relationship grows into a life-giving team dynamic. So its naive to think that a big group of people are going to figure this out on their own. Then, when you add on the tension of a big church decision, the team dynamic quickly curls up and dies. So it's time we start to talk about these critical church issues. And that's what we're going to do.

## **The Book in a Nutshell**

Throughout this assessment, we aim to explore the following things: First off, we will explore many of the classic forms of church government that have been used throughout church history. Of course, most of you probably just want to skip to the juicy chapters ahead; but, keep in mind, each chapter builds on the preceding one. And unfortunately, I use a lot of lingo to refer to a lot of abstract concepts. So, although the next chapter may get a little philosophical, keep moving forward. I guarantee that you'll have a few epiphanies.

As for chapters two through four, we're gonna trek deep into the jungles of "church-group behavior". We're gonna study some fascinating animals called "elders" and "trustees". And while we do, I'm going to focus on five concepts (or, "building blocks") of governmental health. After evaluating numerous church splits, we will ask: *What role did the church systems play in enabling these tragedies?*

In chapter five I may come close to losing all of my classical church government friends by critiquing their systems. Hopefully this will be a pleasant rebuke; but, either way, it will be exciting! And if you're wondering if you should launch a church revolution of your own, make sure you count the cost first. So, I'll give some heart-felt practical advice here as well. And finally, in chapter six, I will give my own recipe for a healthy church government.

But here's the big picture of this book: What if church government planning could be done better? What structures would give us the best shot at growth? What models would give us the best shot at surviving crisis? What is the best way to balance power within our congregations? And can we do this in such a way that would *actually be fun*? (I know it's a tall order; but, we're gonna try to serve up answers to all of these questions.) But first, I need you to keep a few things in mind.

## **A Few Assumptions**

First of all, this treatise was never meant to be published. In the last three years I've probably had over forty different pastors ask me: "How did your church boards get so fun?" "Why do you and your staff get along so well?" "*Why do people on your leadership teams have so much fun – even when you're discussing I.R.S. regulations!?*"...and last but not least: "*How can I get that dynamic happening in my church boards?*"

Of course, our church attendance recently began to explode and those precious coffee meetings with pastors began harder and harder to schedule. So, finally, I wrote all of these concepts down into a series of letters to my pastor friends. Over time, I pasted all of these letters together into a booklet and slapped a pretty cover on top. So, please realize: You get what you pay for. The spelling errors and awkward prose will drive you nuts. But the insights will hopefully be worth it.

And keep in mind: This is a philosophical treatise – not a light-reading devotional book filled with heart-warming anecdotes. If you don't like political theory, than give this book to someone else (especially in the next chapter). I didn't write this book for wide circulation. I wrote this to shine a light on all the dysfunctional ways we try to build churches.

## The Human Factor in Church Polity

Another important assumption is this: Without humility and good leadership, it doesn't matter what form of church government you have. Even if you have the ultimate governance system, there will always be more conflict in a place where there is pride & prayerlessness. When Elder John is convinced that the Holy Spirit longs for more shofar horns on the worship band, and when Pastor Steve is convinced that Calvinism and tithing need to be preached 52 Sundays a year, your church will probably experience stress. No church government will compensate for myopic leadership and immature behavior.

Even more, every team needs to work as a team. And let's face it, churches are full of arrogant people who perceive themselves to be the protectors of the truth. Insecurity and ill communication are the death blow to any organization. And when people do not seek *first* to understand and *then* to be understood, there will always be a breakdown in functionality.

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*“There is no church government that can be a substitute for love and humility.”*

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In most church dysfunctions, people are so convinced they are right that they forget to actually listen to what the other person is saying. After being a witness to numerous splits, it's down-right maddening to see self-righteous people explode into gang warfare. Pretty soon, “*who did what?*” or “*what is best?*” doesn't even matter because it's impossible to hear anything over the clamor of accusations.

Over the years, I've realized that, “*who's right?*” in a conflict is often way less important than how much people respect one another and trust God when they disagree. God will never bless a rude, faithless, or impatient leader – even when they're “technically right.”

There have been many times in my marriage where I was right; yet I wasn't “life-giving” in the process. And I learned the hard way that I can be “dead-right”. I can win the battle yet lose the war. This is because, when my feathers are ruffled, like anyone, I can lose my sense of priority. I can get so obsessed with defending my “rightness” that I'm destroying my marriage. And the same goes for church communities.

In every church split, there are two groups clamoring about “the truth of the matter.” And after watching this play out in numerous churches, I've become convinced that God isn't very interested in “*who's right?*” as much as, “*who is willing to surrender things to God first?*”.

Brian McLaren was writing about “living in the truth” when he made the profound distinction: “*Truth is more than factual accuracy. It means being in sync with God.*”<sup>1</sup> And unfortunately, in many church debates, neither side is “in sync with God” – even though one side might be “right”.

So keep in mind: there's no church government that can be a substitute for love and humility. Love is the very evidence that we are Christ's disciples. However, despite the foolishness that might be found in our churches, there are still governments that can help us trudge through this carnality with a little more ease.

## The Most Biblical Form of Government?

A third critical assumption is that the Bible never explicitly says: “*This is God's chosen form of government?*”. The vast majority of evangelical scholars are in agreement that, we can infer many governance ideas from scriptures; but, no where does it say: “*This is the precise church government that God desires.*”<sup>2</sup>

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<sup>1</sup> Quoted from Brian McLaren's character Neo in *A New Kind of Christian* (2001 Jossey-Bass Publishing)

<sup>2</sup> George Eldon Ladd, the famous scholar from Fuller remarked: “*It appears likely that there was no normative pattern of church government in the apostolic age, and that the organizational structure of the church is no essential element in the theology of the church.*”

Honestly, we could probably give a good biblical argument for just about every classical form of church government. All of us are free to have opinions; but, it's rather ignorant for us to claim that any one model is "the Biblical one".<sup>3</sup> After all, if we were really trying to be "Biblical", then we would communally share all of our possessions (Acts 2) and cast lots for our leaders (Acts 1).

You see, the Bible may identify a few key "titles"; (like *elders, prophets, deacons, apostles, pastors*, etc.); and, although we may have a few ideas about how these roles operated, it's dishonest to say that there is an exact prescription within scriptures. Most Bible scholars admit that the Bible spends a lot more time addressing *character attributes* of Christian leaders (like Titus 1:5-9) than it does addressing precise flow-charts of authority.

Even more, a careful study of the New Testament will show that governance systems seemed to be in a constant state of evolution. In other words, it would seem that authority structures were primarily based upon common sense and practicality (as we saw in Acts chapter 6) and not some eternally specific plan of God. So as we talk about "Biblical church governments", we would be wise to acknowledge the grayness of scripture on this issue. The last thing we need is another obnoxious and ignorant voice claiming to be the "true restoration of the Book of Acts".

## The Classical Governments

Finally, without going too deep into the history and functions of these systems, over the centuries there have been around three or four major forms of church government. The first (& oldest) is known as the *Episcopal* Model of Church Government:

**The Episcopal Model:** is essentially based on the Catholic concept of *Bishops*. Every church will still have a senior pastor or priest; yet, despite this local leader, the primal "legal leader" within this local church is the bishop. Bishops have varying levels of authority depending on the actual system; but, the idea is that there is an apostolic line of leaders who have presided over the churches of God since the days of the Apostle Peter. Local churches need to submit to these non-local leaders. Common advocates of the Episcopal model are: Catholics, Episcopalian/Anglican, some Lutherans, and many Methodists. The second classical model is quite different.

**The Presbyterian Model (A.k.a., Board-Run):** is essentially the well known "Elder-run" system. Gaining steam through the Reformation, this model essentially gives final authority to a group of elders within a local church. Elders are not merely focused on finances (which the I.R.S. terms a "trustee"); but, elders are essentially on par with the senior pastor (who is merely the "teaching elder"). This "board run" system can be found in many Presbyterian or Reformed churches. It's also common amidst many traditional Evangelical denominations.

**The Congregationalist Model:** is founded upon the concepts of democracy and autonomy. Each church is essentially independent and self-governing. Congregationalism

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<sup>3</sup> In their book How to Read the Bible for All it's Worth, hermeneutical scholars Fee and Stuart essentially argue: "just because the Apostles did something does not mean that we should emulate their behavior nor assume that such a precedent is God's explicit intension for ourselves." *Jacob, in the Old Testament, had two wives; yet, we don't assume that polygamy is Biblical. So why, then, do we uncritically assume that every New Testament precedent is the glorious ideal pattern for the modern Christian. Certainly there are valuable patterns to follow; yet, we must be discerning between the explicit teachings of scripture (primary doctrine) verses the implicit teachings (secondary doctrines) that are based upon inferences – rather than clear commands.*

emerged as a reaction against Episcopalian-styled systems where distant bishops could unilaterally dictate local policies. Thus, congregationalism primarily means that a church is “locally self-governed” more than it means “democratic”. Thus, any independent or non-denominational church could technically be considered *congregationalist*. However, many congregational churches have some form of a democracy or republic at work in their structure. (I.e., to some greater or lesser degree, the congregation has the opportunity to vote.) Some congregationalist churches limit their church wide votes only to major issues – leaving larger amounts of freedom up to various boards. But the highest authority essentially rests in the congregation. A common example of congregationalism can be found in the Baptists or Evangelical Covenant Church.

Of course, by this point, you may notice that there are many “hybrid” models that incorporate a little of each of these classical formats. Denominations such as *the Christian and Missionary Alliance* are known to have a little of each of the above systems. But there is one last form of government that is common amidst independent church movements.

**The Single Elder/Pastor Led:** is a church ruled by a singular “apostolic” leader.

After decades of denominational decline, many independent churches felt that traditional church governments were too encumbering and political to remain fruitful. Particularly in Episcopalian models, people felt that pastors were mere hirelings and that denominations failed to respect the need for a clear central leader. Thus, many churches in the 1970's began to emerge with an “Apostolic pastor”. This autocratic model basically appoints a singular pastor/elder with the lions share of the authority (from finances to the statement of faith).

This model is based on the assumption that almost every church movement in scripture and church history had a unique individual whom God anointed to lead His people. From the Judges of the Old Testament, to Paul, to John Wesley, each of these people had large amounts of “divine apostolic authority.”

Obviously, this form of government raises the question: “Who holds the pastor accountable?” This is a valuable question that needs to be considered. Apostolic churches usually appoint a small number of trustees (the bare minimum to meet IRS obligations). But, most Apostolic churches argue that the primary accountability is “divine”. I.e., God will severely judge the leader who misleads his sheep or misrepresents God (Heb. 13:17; James 3:1; Num 20:12).

Thus, Apostolic churches tend to argue that “human systems of accountability” are really secondary to the accountability of God. The natural result is this: the only control that the average person has within these churches is essentially to pray & trust God (to judge the leader severely), or to “vote with their feet” by either staying or leaving. Conversely, the leader (with great fear and trembling) must lead the people.

## **The Final Word**

So now that we’ve beefed up our understanding of classical church polity, let’s dive into the building blocks of governmental health. We’re going to start by taking a sociological approach to decision making. And, if you can survive the philosophical ideas in the next chapter, you’ll never look at church decision making the same.

## **Chapter Two:**

### **Building Blocks #1 and #2**

#### **The Subjectivity/Size Principle & the Qualification Effect**

*Do the right amounts of people with the right qualifications have the authority to make the right decisions?*

In the last chapter, we reviewed the basic differences between the classical forms of church government; yet, the ultimate question is: How do all of these classical governments play out?

Obviously, each of these governments have both strengths and weaknesses. And every church government values slightly different things.

For example: Congregationalist churches believe that “*many counselors brings success*” (Prov. 15:22) – which is why they have such a large number of church votes. The logic goes: “Getting other people’s input aids the likelihood of discernment.” Thus, the assumption in these church models is: the more elders we have, or the more people who vote on any given issue, the safer we will be. But, as we will soon find out, this line of thinking does *not* always lead to church health nor safety.

Most Church members have probably never read their church constitutions or bylaws. But, if you’ve ever been an elder or a senior pastor, you’ve probably spent a good deal of time asking the question: *What do our bylaws say?*

So, if you haven’t ever been in a decision-making role at your church, I’m gonna warn you: The chapter you are about to read will get a bit philosophical. But if you can wrap your mind around these two foundational building blocks, the rest of this book will become increasingly insightful. And if you’re not a pastor or board member, you’ll still get something out of this. These principles will come into play in almost any group decision process – in business, in families, and in church governments. So, let’s dive in with an imaginary scenario.

### **The Restaurant Illustration**

Imagine with me that you were in a room full of thirty hungry people. Collectively, you must come to consensus about where to go out for dinner. As in any group of people, you are going to have dominant personalities. You’ll probably have a few vegetarians, a few health food nuts, (and those irritating people who are allergic to just about everything.) And you’ll also probably have those people who only like exotic local restaurants (you know... those restaurants that only serve moose-cheese and vegetarian liver sausage).

So, here is a situation that is intrinsically political. After all, you empowered everyone by giving them the right to share their opinions & vote. So like any political process, the dominant leaders will rise up to persuade. Everywhere you look, lines are getting drawn in the sand. The “food-allergy people” will take their stand. The “deep-fried liver-lovers” arise as well. Of course, there will also be the quiet people who never got consulted. And then you have those stubborn people who always say: “*You didn’t listen to me – otherwise you’d agree.*” And, like in any political process, there will definitely be losers.

You see, political processes can definitely create discernment; but, when a decision is time-sensitive or highly subjective (meaning, the decision is based on opinions & preferences), these same processes can create unnecessary dysfunction, polarization, and disenfranchisement.

So imagine a different approach to this restaurant scenario: What if there was a clearly defined leader who had complete authority to make the decision: “*Hey everyone... I know that*

*we all have a lot of opinions about restaurants; but, the goal here is to enjoy each other's company; so, we're all gonna compromise and all go to this one place."*

Chances are, when the authority structure is defined, most people would simply fall in line. There wouldn't have been a process to ruffle anyone's feathers. Yet, because we gave everyone the power to argue for their opinion, we've created a totally different game – a game that some people will lose out. Likewise is true in churches.

There are certain decisions where opinions are truly important. Listening to people's opinions can create both discernment and ownership to the vision being proposed. But, there are other times when opinions do nothing more than polarize people.

Of course, I realize that this restaurant decision was rather minor; after all, we're only talking about a silly restaurant. But imagine if this decision was about something much more important – something "spiritual", something personal, or something semi-permanent (such as a decision over a worship service). Imagine people quoting scripture verses to defend their logic. You see, this very same political process can suddenly become a deep spiritualized wedge that fractures a church.

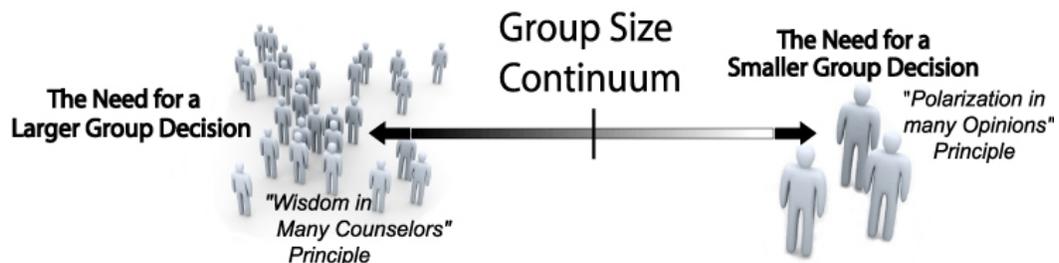
Therefore, using this illustration, we see that there is a continuum to heed: On one extreme, there is the "*wisdom in many counselors*" principle (Prov. 11:14). The more important a decision, (such as the selection of a new senior pastor), the more important it is to value and entertain opinions. On the other extreme, we have the "*Polarization in Many Opinions*" Principle. The more subjective or complex a decision is, the more important it is to simply have a decisive leader (or very small group of specialized leaders whom the people trust).

So, why is all this philosophy important? Because, if your bylaws do not carefully limit the **quantity** of decision makers on specific issues, your church unity will eventually be at stake. We've all heard the stories of that one church that split over the rain gutters – and we say to ourselves: "*that will never happen to us!*" Yet we fail to see how our church governments feed the systemic problem.

Once again, "*Bad forms of church government can cause good people to behave badly.*" Your

bylaws might be wise in how they include the whole congregation in voting for a new senior pastor; but, what if everyone has to vote on the expensive rain gutters?

For example: "*Will all the people realize that if we don't change the gutters, the parking lot will get ruined? Will people realize that although this means less money for missions now, it will mean more money for missions later?*" If you throw in the wrong personalities after the church morale has been in decline *anything* can be a lightning rod. Let's face it, our churches are fully of spiritually immature people. And the devil waits for opportune times to attack (Lk 4:13).



## The Real Million Dollar Question

Thus, the ultimate question we need to ask our bylaws is this: ***Do the right amounts of people with the right qualifications have the authority to make the right decisions?***

For example, I had a friend who pastored a certain type of congregationalist church where almost all leaders were voted on. Of course my pastor friend had an elected worship leader who was extremely disorganized. It got to the point where, behind the scenes, this worship leader's irresponsibility was ruining the entire worship team dynamic. People were quitting both the ministry and the church due to this person. But in order to "fire" the leader there needed to be

another church vote. And, as you would imagine, this worship leader had a good number of people who liked him (no matter what he did).

At first, the issue was so hotly contested that if this non-paid leader was fired, it would certainly split the church. So, numerous leaders stood up and gave impassioned speeches about how ridiculous the issue was and made a motion to simply “do nothing”. (I.e., indecision seemed better than a church split.) Of course, when all was said and done, these speeches were meaningless. After all, my friend confessed, the church was a ship with a slow leak. Indecision was merely a slower way to split the church. And this church constitution essentially turned a hard decision into a completely impossible one.

You see, many decisions are subjective, meaning, everyone’s approach will be “subject” to their opinions, preferences, and prejudices. Other decisions are “objective”, meaning, they won’t change from person to person. Two plus two equals four. And four is the objective answer. But, sometimes, the correct answer isn’t as easy to discern. So, when large amounts of people are empowered to make harder and more subjective decisions, the only thing we’re really doing is dramatically increasing the odds of a church split.

Budgeting decisions can be the same as staff decisions: they are amazingly complex and subjective. Everyone would like to spend church money over a different “pet-ministry-idea”. Thus, if the wrong number of people are being empowered to make a budgeting decision, it’s very easy to create a mess. This brings us to the “Subjectivity/Size Principle”: *If a larger number of people are being empowered to make a subjective decision, the odds of polarization and perceived disenfranchisement increases.*

**Subjectivity/Size Principle:** *If a larger number of people are being empowered to make a subjective decision, the odds of polarization and perceived disenfranchisement increases.*

So a good form of church government will discern “the right number” of people behind every decision in the church.

## **The Right Number, Wrong Qualifications**

Similar problems occur when the right number of people with the *wrong qualifications* are making a decision. For example, imagine if your spouse was on the operating table, and you decided to highjack the scalpel from the surgeon. In most people’s minds, you’d be an idiot because you’re not a qualified decision maker.

Or, imagine if the church were more like a professional football team. Let’s say there is a particular wide-receiver who simply isn’t getting the job done. Who should make the call about cutting this guy? Should it be a council of fans – perhaps season ticket holders? Are they qualified? I suppose they could look at some game stats to help themselves a bit. But, what if the problem goes beyond the game stats. What if this problematic wide-receiver is quarreling with teammates in the locker room? What if the individual simply isn’t working as hard as his team-mates at practice? What if the wide-receiver simply isn’t as good as he should be (in terms of natural gifting?) Who is most qualified to make this decision? Well, in pro-football, this decision is usually entrusted to a professional coach.

A professional coach is usually someone who has been trained in the subtle art of football techniques and team dynamics. Most NFL coaches were once great players. They often have invaluable first hand experience both on and off the field. Generally speaking, a coach is in a much better position to assess this person both at practice and in the locker room. In other words, it makes no logical sense for difficult decisions like these to be made by non-paid season-ticket holders. So then, why do so many church systems empower lay leaders to make similar complex decisions?

Churches are not what they used to be. Only a few decades ago, more than 90% of America's churches were under 200 people. Church government systems were primarily designed for these smaller types of churches. But now, budgeting, staffing, and church systems in general are a great deal more complex than they used to be. They often require a lot of inside knowledge and skills that the average person would simply not know. So we need to begin assessing whether the decision makers are truly qualified to be making the right decisions. We cannot be satisfied using unsophisticated pee-wee football structures in a higher stakes world of professional football. And the same is true when churches have become increasingly larger.

As a better example, imagine if the state government allowed your eight year old to decide whether or not they wanted to go to school – or required your eight year old to cast a public vote on your family budget? Such an arrangement would be ludicrous because eight year olds do not fully understand a huge number of things. You'd have to explain the need for life-insurance, health insurance, or why your 401k is important next to a new video game system. You see, when decisions are entrusted to under-qualified individuals, we not only lose discernment but, we also lose a huge amount of time trying to educate decision makers. And this lost time can often times be the difference between a ministry that thrives verses a ministry that flounders. Many church governments require consensus on almost all decisions in order to discern the will of God. Yet, the statistical cost to such thinking can have a devastating effect upon the fruitfulness of an organization.

Of course, every congregation *intends* to fulfill the Great Commission. Yet, studies like the Natural Church Development method have long shown that many ministry structures fail miserably. And we will be judged by God based upon our statistical fruitfulness – not our intentions. So, this brings us to the second critical principle, the *Qualification Effect*: *When highly complex or specialized decisions are entrusted to under-qualified decision makers, the odds of losing both discernment, time, fruitfulness, and overall ministry-focus increases.*

**The Qualification Effect:** *When highly complex or specialized decisions are entrusted to under-qualified decision makers, the odds of losing both discernment, time, fruitfulness, and overall ministry-focus increases.*

Now, it's important to note with this principle that we are not advocating for some elite professional clergy who can unilaterally assert their wisdom upon the "ignorant laity". On the contrary, good leadership will *always* include people in on the decision making process. Good leaders allow input from their team-mates. Even more, a good decision should be able to withstand a good amount of scrutiny. And there is much to gain by affirming God's will through consensus (see Acts 15 as an example<sup>4</sup>). Rather, the *Qualification Effect* simply addresses the fact that there are many liabilities of *legally empowering* the final decision to "under-qualified decision-makers" on specialized decisions.

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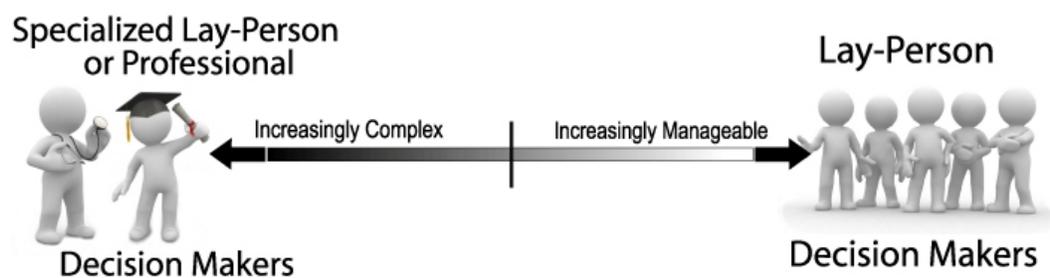
<sup>4</sup> In Acts 15, the disciples needed to make a decision about which commands Gentiles should be following from the Law of Moses. We cannot discern an exact authority structure from this text; but, regardless of whether James had "the final say" or not, there was still a good amount of conversation and consensus.

For example, many churches are now “outsourcing” serious disciplinary procedures to objective “overseers” (a respected board of five or six trustworthy pastors outside of your local fellowship). Whenever a senior pastor is being accused or investigated, churches have a sad and atrocious history of either being too soft or too harsh – posturing their churches for a split. Thus, by appointing a “crisis board” of independent and objective professionals, churches remove a huge number of caustic political elements from a potentially explosive situation. Of course, it’s critical that this is not a board of “Yes-men” for the senior pastor. Rather, this needs to be a board whom everyone can implicitly trust.

But the net result is this: By picking qualified people who do not stand to gain or lose anything, we not only gain discernment, but we also empower locals to keep their focus where it should be: on *ministry*. And that’s what a lot of church governments do. They hijack the attention of church members towards corporate politics and distract them from the organic mission of Christ. As one elder once told me: *“I don’t have time to reach out to my neighbor. I busy mediating this curriculum debate.”*

Or, as another example of how churches are heeding the Qualification Effect, many churches are now separating their “financial boards” from their “elder boards”. As churches become larger, it becomes rather unmanageable for a singular board of lay people to be in charge of everything.

As an illustration of this, I had a pastor friend whose church was undergoing a rather large amount of



growth. Because of their momentum, it seemed like they had a never-ending number of financial decisions to be made. Their church got to a point where the elder board was bottle-necking everything in the church. Even more, the decisions were becoming increasingly complex. The elders themselves began wondering if they were even qualified to make the decisions in front of them. None of them were all that business savvy in the first place. Many of them just wanted to be “spiritual leaders”. But, over time, they began to feel like “wannabe general contractors” and rookie tax accountants.

Finally, my pastor friend went to them with a recommendation. He said, *“Guys, we have some dynamic business men in our church who are accustomed to making these types of decisions all day long. How would all of you feel if we put together a dream team of Godly, reliable business men, general contractors, accountants, lawyers and bankers – and then turned all of these ‘trustee’ responsibilities over to them so that you can devote yourselves to shepherding.”*

At first, several of them were reluctant to give up their financial responsibilities. In fact, a couple of them decided that they would be better suited for this fiduciary/facility dream team than they would be as elders. But, a short time later, they decided to make this separation an official part of their bylaws.

The net result was sensational: The productivity of both teams completely exploded. *“It felt like we hired a dozen more staff members”* my pastor friend commented. Both teams could finally get their focus – becoming great at one thing, rather than being mediocre in all things. The financial strategizing and church business-planning skyrocketed. The discretionary income of the church quickly doubled – not because of more tithers but because of more efficiency. Rather than wasting time debating complex financial & staffing decisions (which only a few of them were good at doing anyway), the “dream team” of business savvy trustees were able to quickly

employ their endless business acumen to the tasks at hand.

Even more, the elders began feeling like ministers again. They were free to spend their time launching ministries and helping small group leaders mentor their people. Not surprisingly, church volunteerism soared to an all-time high. The elders were free to spend more time praying, counseling, and relieving the full-time staff of their pastoral burdens (as in Acts 6:1-7). And quite predictably the church experienced unprecedented fruitfulness.

Once again, by talking about “qualified” individuals making the right decisions, we’re not saying: “*take all authority away from laity and give it to full time pastors*”. Indeed, by stratifying decisions like this you’re actually empowering people *more* because you’re actually employing a true team dynamic.

Some government systems falsely claim to empower people by making everyone a “head” of the local church body. But “*are all apostles*” and “*administrators*” (1Cor.12:28-29)? The answer is no. So, with this principle, we are merely acknowledging that, as churches grow bigger, we need to see that

church governments get more specialized, focused, and team oriented – more like the “body of Christ” that the Apostle Paul advocated. Even more, accountability, safeguarding and credibility actually *increases* as we allow our teams to become less over-loaded and more focused!

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## The Decision Matrix

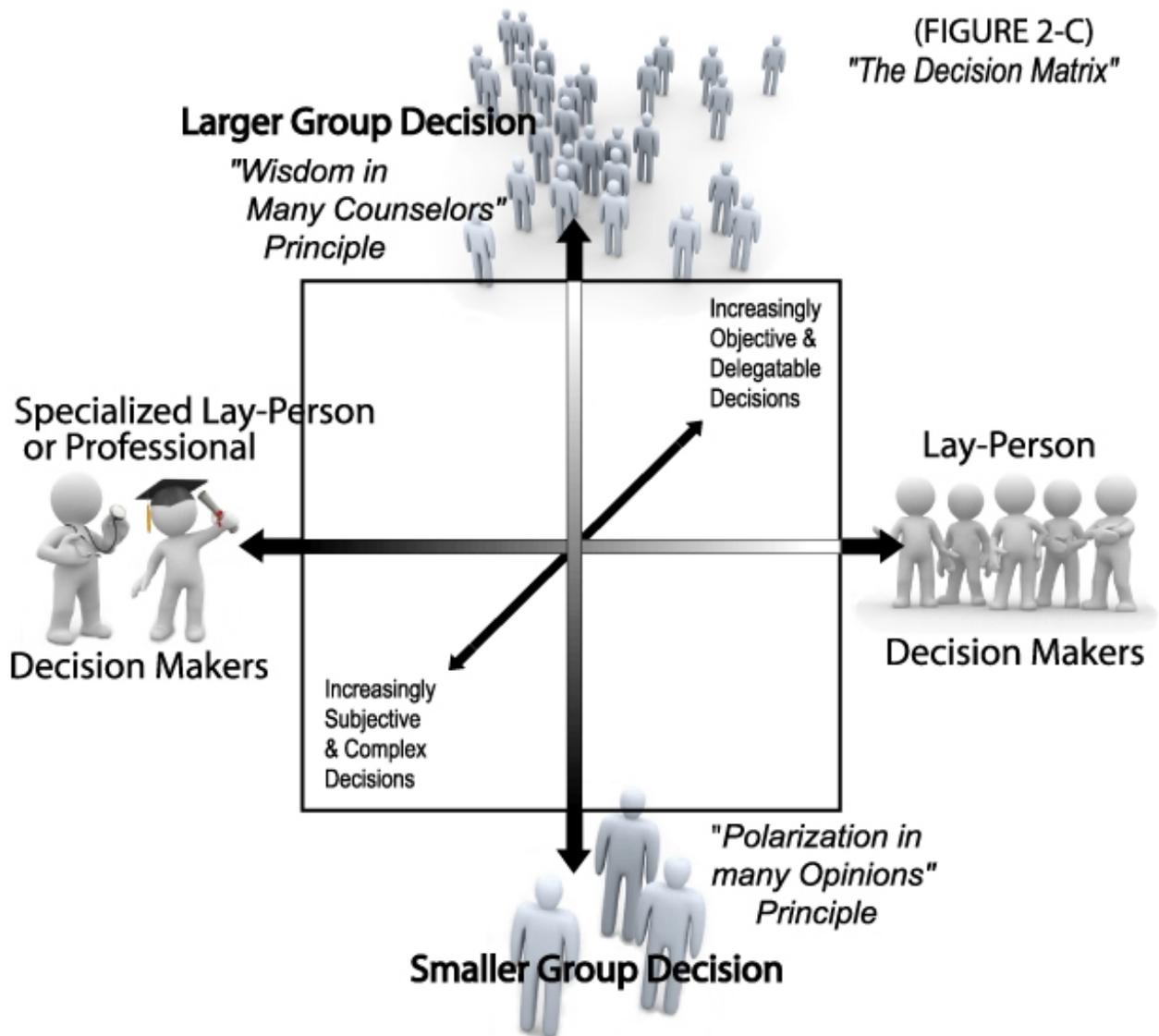
So once again, the most profound question we could ask about our governance systems is this: ***How do we get the right amounts of people with the right qualifications the authority to make the right decisions?*** The Matrix below illustrates our first two concepts: “*Subjectivity requires Smaller*” and “*Complexity requires Qualification*”. I.e., basic wisdom tells us: If a decision is very complex or subjective, it is wise to empower smaller groups of more specialized people (note the Decision Matrix below – Figure 2-C).

To put this another way: What if we were to take every church decision and categorize it based on this wisdom? In other words: which decisions are better for large groups vs. smaller groups? Which decisions are more complex and subjective (thus, better suited for smaller and more specialized decision makers)? Lastly, which decisions are so big that a multi-layered *process of decisions* needs to be defined – like the selection of a new pastor. (For example, we could have the previous pastor nominate a singular candidate and then have the church vote on this candidate – creating a two-level decision process).

When we stratify church decisions around this matrix, we are accomplishing several dramatic things:

- 1). We are seriously reducing the likelihood of unnecessary polarization and church split.
- 2). We are enabling people to focus on ministry *more than* politics & corporate management.
- 3). We are creating a system that does a better job at placing gifted people in strategic places.
- 4). We are increasing our organization's ability to quickly bring about positive change.

And lastly, *all of this is done without sacrificing accountability and discernment.*



Ironically, accountability *actually increases* because these teams are increasingly specialized and are in charge of less things. Therefore,

5). We are increasing the quality of the safeguard through specialization.

Unfortunately, most church governments are narrow-mindedly based on a singular quadrant of this matrix. All of the classical church governments may heed the wisdom on one side of these continuums; yet, simultaneously they tend to ignore the wisdom found on the opposite side.

Usually, when I point out these facts to my “classical-government” friends, they refute, “*I hear what you’re saying, but it doesn’t necessarily need to be that way.*” After all, they argue, “*we adhere to a classical form of government and we aren’t experiencing any of those problems*”. Yet my response is always the same: Not yet. But the moment there is a leadership vacuum, (i.e., a weaker leader replaces a stronger leader) you will.

Yes, there are always exceptions to the rule. But, as we will find in the following chapters, these exceptions are very hard to sustain over time. Any church government can thrive for a season under very specific conditions; but, very few are statistically proven to consistently sustain growth – even during board-room trauma.

So, with building blocks one and two established, let’s move onto our second set of building blocks: *The Divine Chemistry Principle* and the *High Stakes Rule*.

## Chapter Three:

### Building Blocks #3 and #4 The Divine Chemistry Principle & the High Stakes Rule

*“Do your leadership teams have adequate chemistry and role definition?”*

After that last chapter, many of you are probably rubbing your temples thinking: “*Wow, do things really need to be so complex*”. So let me encourage you again: a healthy church government may require a little more thinking up front; but, imagine how many headaches you will experience by being a part of dysfunctional decision making system. Serving God should be fun. So, trust me: You’re much better off doing your homework in advance.

At my first senior pastorate I was a part of a board that had a lot of great Christian men. But several of them had very specific agendas that they refused to let go of. Don’t get me wrong: Despite getting carried away at times, I’m sure that all of these board members loved the Lord. Yet, looking back, it’s almost ridiculous the types of time-wasting debates we had over blazingly obvious things.

At first, I thought it was normal for boards to passionately scrutinize each other’s motives. But, I simply hadn’t been a part of enough boards to know that there is a massive difference between loving accountability and poisonous distrust. And now that I’ve had dozens of different board experiences, it’s a lot easier to look back and see how dysfunctional we all were. And yes, there were a few bad apples in the barrel; but, most of our problems were systemic (i.e., not due to people).

At the time, I didn’t know much about church government. And I had a good friend of mine who consistently told me: “*If you don’t seriously modify your constitution, you are a church split waiting to happen.*” I kept telling him: “*No way! We may bicker a lot; but, no one would take it that far.*” But sure enough, the fuzzy role definition and flaws within our bylaws had a significant and predictable affect on our experience. I left the church feeling totally beat up and micro-managed. I even wrote a letter to them on my way out telling them they were a split waiting to happen unless they changed their bylaws.

“No way, Pastor”. “You just need to get thicker skin” he reassured me. But, not surprisingly, a few years later, the church eventually split.

To this day, even though I was deeply wounded at the time, I know that all of those guys “meant well”. But again, “*bad forms of church government tempt good people to behave badly.*” So, with this in mind, let’s recap our journey so far.

### The Big Picture

A good church government will provide safety and empowerment for God’s people. But, not all governments and safeguards are created equal. The reason is because there are certain sociological principles which govern how humans make decisions; and, many governments ignore these principles when they design their balances of power.

If your bylaws empower overly-large numbers of people to make highly subjective decisions, then the odds of polarization and perceived disenfranchisement will increase (known as the Subjectivity/Size Principle). In other words, there are many “preferential decisions” that everyone would make differently. If you *legally empower* too many decision makers on highly debatable things, all you’re really doing is increasing your risk of a church split.

Also, when highly complex or specialized decisions are entrusted to *under-qualified decision makers*, the odds of losing discernment, time, fruitfulness, accountability, and overall ministry-focus *increases* (also known as *The Qualification Effect*).

In the business world, if we lost all of these advantages, we would certainly be a non-competitive company. The same is true in the church. When we embrace decision making systems that ignore these principles, we are building a government that ineffectively stewards God's people – and ultimately steals glory from God.

## What About the Exceptions to the Rule?

Certainly there are healthy church governments within every classical model. The main problem is not whether *it's possible* to have a healthy classical system; rather, I'm questioning: can these systems healthily sustain themselves over the long-haul? Can your system not merely survive but *thrive* amidst pastoral transitions and continue to grow? Despite our best intentions, the statistical facts are telling us that most systems do not.

For example, even though classical systems are troublesome when making certain types of decisions, they manage to “survive” these weaknesses by using humility, finesse, and good leadership. And yes, it's great when these things save the day. But it's presumptive to hope that good leadership will always make up for a flawed decision making system. It's like hoping that your dynamic prayer life will compensate for the fact that you never wear your seat-belt: It's just not a smart way to live.

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*“It's presumptive to hope that good leadership will always make up for a flawed decision making system.”*

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For example, it's interesting to note that *very few churches experience the weaknesses within their church government while the founding pastor is still intact*. Most churches begin plateauing and declining around their 15<sup>th</sup> - 18<sup>th</sup> year<sup>5</sup>...usually about the time the founding pastor has resigned. But why is this? What do founding pastors and younger churches have that others do not? Allow me to introduce the concept of *divine chemistry*.

## Chemistry and Calling

Imagine if a young engaged couple came to you for marital advice. After speaking with them a while, the soon-to-be-wife says: *“Actually, I can't stand my fiancé. Honestly, I think he's rather repulsive – his face, his body, his ideas... he just strikes me as gross. Every time he talks I find myself getting irritated. But, boy, do I love his house! It's gorgeous! And I love the stability of his salary. And...I suppose I enjoy his Aunt Martha too.”*

Now, hopefully if you're a smart person, you will tell her that getting married is probably a bad idea. Obviously, this couple is missing an important ingredient: There's no heart-match. There's no clear compatibility. Or, let's say it this way: *There's no divine chemistry*. If she's totally repulsed by her husband to be, such a marriage is certainly not likely to produce a whole lot of healthy kids. Yet, ironically, we allow this same situation to occur in churches across America.

Many people in aging churches attend churches, not because they like the senior pastor, but because they like the “house” or the “people related to the house”. Often times, they came to the church when there was a different senior pastor (or a different version of the same pastor : )

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<sup>5</sup> Win Arn, *The Pastor's Manual for Effective Ministry* (Monrovia, Calif.: Church Growth, 1988), p.41

The new leaders are merely step-dads that they never fully related to. Thus, the people's relationship with their leader is a *co-dependency* or a *co-habitation* as opposed to a *calling*. They endure the senior leader; but, they don't necessarily feel "called to the senior leader". As we will soon find out, this can have a pretty devastating effect on a churches' health and growth.

You can usually see this difference in a church within a few Sundays of being there. In many churches, the pastor isn't really a spiritual parent; they're a hireling – or a church service facilitator. The church is no longer led by visionary-leadership; it's driven by a complex web of traditions, programs, and a small minority of dominant church families. And if anyone messes with that web, conflict quickly ensues. And given enough time (and stress), this "crack in chemistry" (or lack of calling) almost always develops into a full-fledged "split."

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*Very few churches manage to grow when their core group isn't built around a strong central leader.*

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For this reason, I always tell churches: Make certain you are called to the central leader *more than* the organization.<sup>6</sup> If there's a change in senior leadership, every church member needs to ask themselves the question: "*Am I called to the new leader?*" If not, you need to seriously consider whether or not God is truly calling you to that church.

Of course, I realize that this may sound radical to you – especially if you have a long history within your church. But if you want to grow in your walk with God and if you want your church to grow you need to listen to understand the following statement:

**Very few churches manage to grow when their core group isn't built around a strong central leader.**

In fact, central leaders are so important to a churches' growth that historians have coined a phrase to summarize the life-cycle of an organization: "*Man, Movement, Machine, Monument*". In each of these four phases, there is a different driving force – a different primary motivator – which holds the organization together. In other words, people attach their sense of calling to different things in each of these four phases. But remember, growing organizations have strong central leaders.

For example, most churches experience the bulk of their growth under the leadership of its founding pastor. But over time, as this leader passes on and weaker leaders take the helm, leadership is no longer the driving force. The primary catalyst of that churches' unity begins to change. In the beginning, people were "called to the leader & his vision"; but, with a weaker leader in place, people gather their fulfillment, unity & motivation from different places.

In other words, the authority of the visionary leader (the Man) and the authority of his visionary leadership team (the Movement) is slowly supplanted by *the Machine*. The motivating mechanism has changed. Leadership is no longer the driving force of that church. The unity and motivation is found through protecting the church service experiences, the assets, and the classical programs. Or, in the final phase, they attach their callings to what "was": *the Monument*. (I.e., *we exist to protect the traditions, the history, & the desires of the historic families*) – not realizing how that growth began in the first place: true leadership.

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*"I regularly tell my members:  
"Check out other churches in this city to see if you're called elsewhere."*

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<sup>6</sup> By being called to the "central leader", I mean, the person to whom your bylaws gives the ultimate "say" on an issue; thus, in Episcopal churches, this is the bishop. In presbyterian churches, this is the board.

You see, when people are called to “churches” and not senior pastors, it’s a sign that the growth cycle of that church is soon ending – even if its assets are doing better than ever. And that’s fine if you don’t care about lost people. But, if you do, you need to pay attention to the divine chemistry you have between your leadership. I.e., *divine chemistry* is an essential health component to a growing church.<sup>7</sup>

And the good news is this: you can reinvigorate the youthfulness of your organization through *divine chemistry*. *But how?* There are numerous ways.

First of all, as the senior pastor of my church, I regularly tell my members: “*Check out other churches in this city to see if you’re called elsewhere.*” Of course, I don’t want to encourage consumeristic “church-hopping”. Yet, I want to make certain that the people who attend my church are truly called there. Much like Gideon’s Army in the book of Judges, large numbers weren’t the primary cause of their victory. Rather, unity of spirit will take you much further than quantity of numbers. Just remember: “*Numbers follow unity; but, unity doesn’t always follow numbers*”.

Secondly, I would never marry a person who I didn’t want to spend time with. And, thus, I would never hire any pastoral staff member I wouldn’t want to hang out with on my day off. There are many times I’m tempted to find a “hired-gun” who is great at what they do. But, if I don’t have chemistry with them, no matter how talented they are, it will eventually cripple my organization in some way. Who cares if this person is helping me to grow my church if we can’t stand to be with each other!

You see, divine chemistry makes heart-felt communication easier. It pulls you through those awkward spats and disagreements which are bound to happen. So even amidst difficulty, you feel *called* to be together. And thus, you press-on through the stressful moments to find that deeper understanding. And most importantly, divine chemistry creates a unity that moves God towards blessing your church (Psm 133; Mt. 18:19)!

When the staff loves each other, the lay-leaders will see it! When the lay-leaders love each other, the attenders will know it! People will flock to your church wanting to be adopted. After all, you’re more than just a church service led by ministry professionals: You’re a family that loves each other (Jn 13:35). And it’s exciting. It’s refreshing. It trickles into every crack of the community. And ultimately, *it’s contagious!*

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*“I would never hire any person I wouldn’t want to hang out with on my day off.”*

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It’s a lot like a good marriage full of attraction: it will likely produce a good number of kids. And, likewise, when sinners are getting saved due to this contagious unity, the atmosphere of such a church is electrifying. But this is not so in a church where everyone is called to programs, people, and traditions more than central leadership.

You see, divine chemistry is God’s way of telling us where to fellowship. But if we ignore this leading because of some idolatrous commitment to a church organization, we will experience the pain of staying at a church in spite God’s plan. And that, my friends, will not only hurt you and your family; but, it will also hurt your church-wide family as well. And there are a lot of mentalities which can hinder *divine chemistry*.

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<sup>7</sup> In fact, in the classic corporate treatise Good to Great, researcher Jim Collins found an alarming fact about transitions in senior leadership. The vast majority of organizations that thrived after a change in senior leader did so by raising up an inside leader (presumably who already had chemistry and credibility amidst the pre-existing leaders). Disturbingly, only one out of eleven organizations continued to grow after bringing in an *outside* leader! (p.32) Although I don’t know for certain, I believe this has something to do with the internal chemistry of an organization. Internal chemistry with a senior leader is essential. And once the internal chemistry is gone, conflict and turn-over are inevitably going to increase. It’s not that outside leaders can’t eventually gain influence. It’s just that they have to outlast a good number of people for a good number of years before they have the same level of influence as a founding pastor.

For example, many pastors manage their finances with no margin. Thus, they become addicted to “giving units” and can’t allow people to leave their church – even when God is the one calling people out of their churches. Or, on the opposite side of this equation, it’s the church members who fear the idea of switching churches (or someone else doing so) after being somewhere for so long. So instead of obeying God, they sit in the pew and slowly get frustrated.

Deep in their hearts, these church members know that something is wrong – but they don’t realize it’s God calling them to new Christian communities where their gifts would be more valuable and increasingly challenged. So, instead of acknowledging a greater divine plan, they start finger pointing: “*You are the reason why I’m unhappy*”. When, from God’s standpoint, nobody needed to be demonized.

In other words, churches are like lakes. Every lake has a certain degree of inflow and outflow. Lakes that have no outflow are like the dead sea – they grow stagnant. And no matter how many resources flow in, they will never feel fresh again. In the same way, Christians need the freedom to listen to God. And church systems need to enable this to happen.

Now certainly, this can be taken to an unhealthy degree. Many churches have a large back-door simply because they struggle with unhealthy systems or attitudes. Other times, people leave a church, not because the Holy Spirit called them to, but because they’re running from their character and calling. Of course, by divine chemistry, I’m not referring to either of these dysfunctions.

But the question remains: Do your church members allow God to lead them through divine chemistry? And a related government question would be: *Do your bylaws allow your senior leader to build their teams based on divine chemistry?*

For example, many churches don’t allow the senior pastor to choose their staff, rotate their elders, or veto leadership nominations. We often times do this under the guise of accountability – after all, no one wants a team of yes-men to surround their senior leaders; yet, on the opposite extreme, this practice often create equally destructive problems.

For example, we need to remember that growing churches are first of all families – not religious organizations. So, if pastors do not have the ability to pick their staffs or veto their board selections, it’s like setting up a random “marriage lottery” and expecting those marriages to produce health.

Without the ability to design the church environment, leaders end up forming reluctant co-dependencies and coalitions rather than dynamic marriages. And you may get a highly skilled team of people. But, what good is this team if they all hate each other and have different agendas for the church? How will the church ever recruit other talented staff members into that type of environment? How will that team demonstrate contagious life-giving community? It’s idealistic to think that this approach will work in very many circumstances.

For example, at my first senior pastorate, I had a two elders who simply wouldn’t trust me. Most of them had been in the church for quite a while. Over time, it became clear to me that many of them had been wounded by past leaders. One of them was naturally a bit hesitant about me being the new senior pastor. And, keep in mind, all of our trustee/elders had life-long appointments to their positions (a dangerous configuration to say the least). Yet, despite our dramatic differences I decided to make the best of it. I made it my goal to earn their trust – even if they didn’t care to earn my trust.

Inevitably tough calls needed to be made, and disagreements ended up surfacing. And before long, the situation became insufferable. Almost every meeting ended with an awkward public stalemate between us. Even basic church decisions ended with one of these guys giving me bizarre rebukes and accusations.

I tried to extend friendship in hopes that trust could be built; but, to no avail, neither were interested in getting to know me – nor were they interested in getting off of the board. It became clear that no amount of trust building was going to change this person’s mind about my

character. They had already made up their mind.

One of them even admitted: *“I’m called to this church but I’m not called to you. And I’m gonna do whatever it takes to protect this church even if it means protecting this church from its senior pastor.”* Not surprisingly, the church didn’t grow much at all. And all of us hated coming to board meetings. Like the Apostle Paul said of the Corinthians: *“Your meetings do more harm than good”* (1 Cor. 11:17).

In the end, one of us needed to leave – and I was the first to volunteer. We resigned our position there and put our faith and family on the line. But God saw our hearts and we were not disappointed. At our next church, we made certain that divine chemistry existed; and, not surprisingly, our new church exploded past a thousand members within a couple years.

And guess what? Leadership has been a delight. Board meetings are downright fun. The joy oozes out into the congregation. And when non-Christians see the internal chemistry of our church, they line up to be adopted. It’s much like Jesus promised: *“Love one another. By this all men will know that you are my disciples...”* (Jn 13:35).

And to this day, I believe that all of those elders at our last church were good people. Chances are, God had a different church for them as well. The Lord knows, those guys were probably suffering as much as I was. But, from that experience I learned a powerful lesson: The moment a board gets sucked into politics more than ministry, I will resign in a heart-beat. And even if I need to forsake millions of dollars in assets, I will never stay in a place where I cannot experience divine chemistry.

Let me say this another way: Money, Opportunity, and Assets follow chemistry; but, chemistry and fruitfulness doesn’t necessarily follow assets. I wasted too many years of my life bickering about church decisions rather than ministering to lost people. No board position or job opportunity is worth disobeying this God’s “still small voice” in this area.

And, this brings us to the *Divine Chemistry Principle*:

**The Divine Chemistry Principle:** *When bylaws do not encourage ‘divine chemistry’ to take place, communication, trust, friendship, and fruitfulness will ultimately decrease.*

Church governments need to encourage board rotation. If a pastor can’t pick his staff, it’s much like having a Republican president with a Democratic cabinet – nothing is going to get done. So why would we create bylaws which obligate this scenario? Generally we do it under the guise of “accountability”. Yet, we fail to see the liabilities that this creates.

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*“When non-Christians see the internal chemistry of our church, they line up to be adopted.”*

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Of course, this begs the question: Is divine chemistry possible with the wrong bylaw system? Not at all. Again, many leaders can create this dynamic no matter what form of government they have. But they would be the exception and not the rule.

For example, above, we established that founding pastors are usually people with great influence. Church plants generally grow much faster than churches over fifteen years old.<sup>8</sup> The reason is likely because: *people come to a church plant based on*

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<sup>8</sup> “Churches Die with Dignity,” *Christianity Today*, January 14, 1991, p.69.

*chemistry with the senior pastor rather than tradition.*<sup>9</sup>

Rarely do lay-members in a younger church carry more influence than the founding pastor. Thus, when conflicts occur, there is usually a central leader with enough clout to recreate the unity – even when someone is trying to destroy it. In other words, leadership and finesse compensates for the weaknesses in the system. (Much like “dads” usually carry more influence than “step-dads”.)

And this brings us to another important point: It’s great that leadership can save the day – despite the weaknesses of a particular governance system. But we’ve got to design smarter systems than this. Inevitably, there will come a group of leaders who are not “up to the challenge”. So, bylaws and constitutions need to be able to guide a church under non-ideal circumstances.

In other words, sometimes, “step-dads exist.” Sometimes “kids wield more influence than the parents.” Sometimes senior pastors come in from the outside (step-dads). Sometimes, church members have more clout than the senior decision-maker does. So, a good constitution is one that guides a church family under duress.

For example, it’s great that your classical church government has good role definition *now*. A strong long-term pastor of a congregationalist church may experience a good amount of freedom *now*. But, what about when the stakes are raised? What about when the senior pastorate is filled by a weaker leader? In the NFL, even hall of fame head-coaches and quarterbacks get intense scrutiny when the pressure is cranked up. If roles aren’t *legally* defined, and decisions aren’t legally stratified, a church is at a much greater risk of plateauing, splitting, or even worse: a death.

For example, our church belongs to a Christian basketball league. In smaller games, Christians are usually very generous to one another about fouls and scoring mistakes. For the most part, the *need to win* usually doesn’t eclipse the *need to value each other*. But, if you raise the stakes, it’s amazing how carnal a group of Christian men can get. Last season alone, I watched Christian men from various churches whip chairs across the court. I’ve seen Christian men fight. And especially when the league play-offs begin, the values of Christ become strangely non-existent.

You see, when the stakes are raised, when the players are less known to each other, everything changes – even though they are all still Christians. And, unfortunately, the same is often true for Christians in any high pressure church decision.

To elaborate more on this idea, imagine an NFL play-off game with no referees: It would be downright dangerous to even attend such a match! The likelihood of mob violence would dramatically increase. We all hope to see good sportsmanship on behalf of both the players and the fans. Yet, to be wise, we need to have a very elaborate set of “official game rules”. Lets face it, there will always be “close calls” (a.k.a., subjective decisions). We need to know: *What exactly constitutes a catch?* Thus, NFL rules are amazingly specific – even to describing body parts: *“one elbow in bounds equals two feet in bounds provided the ball was secured before the elbow hits.”* In the same way, a good set of church bylaws will delineate all of these subjective circumstances. So another important principle that our constitution must heed is the “High Stakes Rule”: *If your bylaws aren’t specific enough about rules and role definition, they will fail in carrying you through times of duress.*

**The High Stakes Rule:** *If your bylaws aren’t specific enough about rules and role definition, they will fail in carrying you through times of duress.*

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<sup>9</sup> C. Wayne Zunkel, *Growing the Small Church* (Elgin, Ill.: David C. Cook, 1982), p.48

Of course, we will all hope for the best behavior in our church! We will hope for a spirit of cooperation and humility. We will all attempt to listen to one another. And no one wants their authority to be undermined. No one wants to be micro-managed. But, without a system to define this, we are taking risks that are both foolish and unnecessary. A healthy constitution needs to allow divine chemistry to occur. And, just as important, it must be specific enough to create clear direction under great periods of stress.

So how do we create this role definition? Well, in the following chapters, we're going to take this to a whole new level. But before we do so, we have one more critical building block to discuss. But buckle your seat-belt. Very few of these principles will affect your churches' life-expectancy as much as building block number five. So let's dive in.

## Chapter Four:

### Building Block #5 The Principle of Corporate Subservience

*Have the tools of your church (the staff, the building, or the programs) become the end in themselves?*

Before we build a life-giving church polity, there is one final sociological principle that we need to learn. (And believe it or not, we've saved the best for last!)

Many years ago, a pastor by the name of Ted Haggard taught me about a brilliant concept. When people refer to *a church*, there are two different concepts that people have in mind:<sup>10</sup> The "Church" could refer to the "*Corporation*" (a.k.a, the building, the organization, the staff, the programs, the assets, etc.). However, there is also the "*Spiritual Body*" which is essentially the true spiritual church (a.k.a., the people, the fellowship of the saints, the living breathing network of Christians who mentor and serve one another.) In other words, it's much like referring to your "household". There are two things you could be referring to: 1). The actually bricks and mortar of your house; or, 2). The family that lives within your house. The Corporation is the brick and mortar while the Spiritual Body is the family that lives inside of it.

Now, the entire purpose for the *corporation* is to serve the *spiritual body*. For example, the ultimate purpose for a program or a building is to help people. Just because we own a building with stained glass windows doesn't mean we actually have a church. Likewise, without people, programs are just meaningless structures. Pastoral staff are the same. The only reason why full-time staff exist is for the purpose of "*equipping the saints*" (Eph 4:11). I mean, we certainly wouldn't hire several staffers if there were only ten people in the church, right? Thus, the corporation (staff, the facilities, programs, etc.) are *merely tools* to help the *true church* to remain relationally healthy.

However, what often times happens is that the "corporation" hijacks the spiritual body. I.e., The tools become the end in itself. Church members exist *more* to perpetuate the existence of a program or building than the building exists to perpetuate a transformational community. And, from this concept we discern the *Principle of Corporate Subservience*:

**The Principle of Corporate Subservience:** *The moment the corporation becomes equal to (or greater than) the spiritual body in terms of focus, or energy, that is the moment the church begins to die.* (See figure 4-A below)

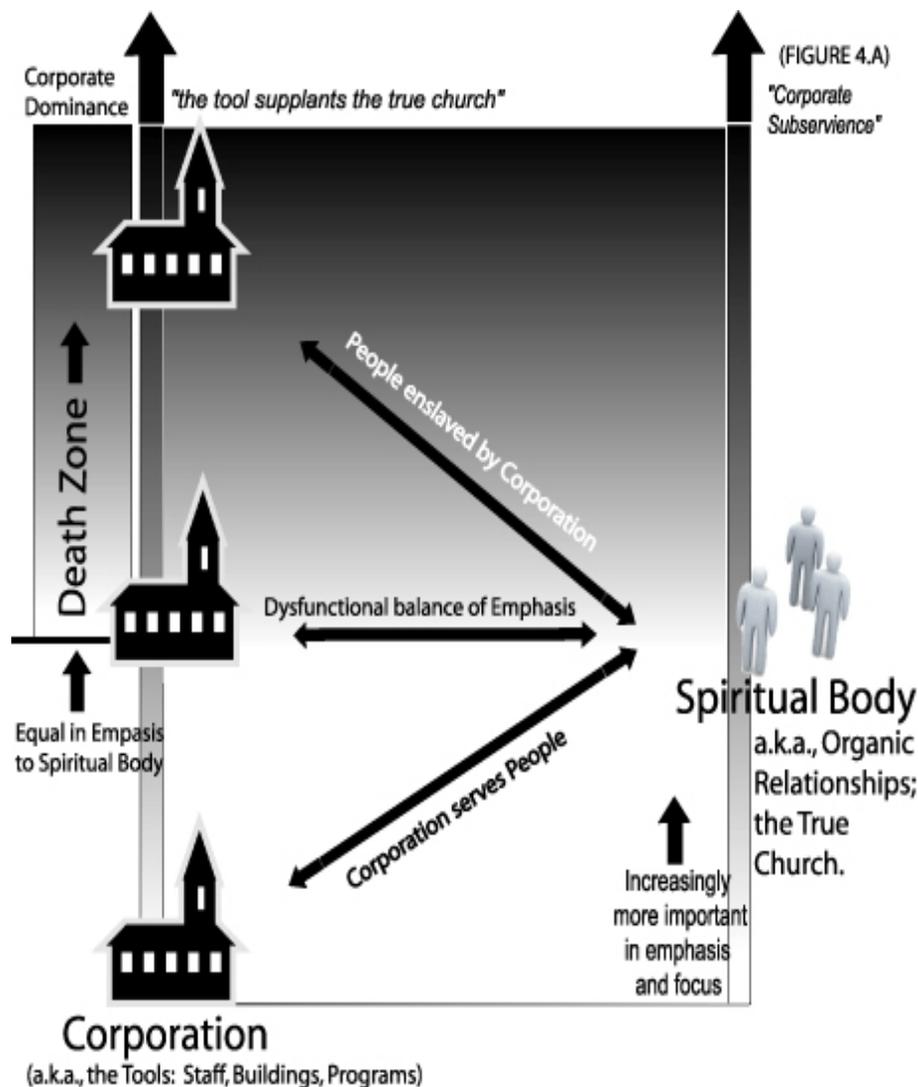
For example, many churches attempt to build facilities or hire staff they cannot yet afford. As a result, their mortgage payments become a stranglehold on their church income. Thus, they spend all of their time doing continuous capitol campaigns or endless "offering sermons" trying to squeeze every last dollar out of God's people.

For example, I had a highly successful pastor friend wisely teach me: "*Never stand*

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<sup>10</sup> This concept came out of an early edition of Haggard's book: *The Life-Giving Church*. Unfortunately, the editors removed this idea from subsequent editions. Yet, I cannot think of a more relevant message to pastors.

*behind the pulpit needing an offering to pay the bills*". And the reason is simple: when pastors stand behind the pulpit "needing" an offering, their motives are no longer "servant focused". Because they failed to budget with margin, their choices have caused them to become addicted to



increasing numbers of givers. As a result, church cultures become increasingly stingy about releasing people to other churches or to the mission field because they "need givers" to pay the mortgage.<sup>11</sup> And, when people begin to feel like faceless "giving units", it is only a matter of time before the church's attendance will begin to drop.

In other words, *what began as a tool became a goal or end unto itself*. Bad financial decisions, in terms of staffing and facilities, regularly create a "non-life-giving" atmosphere – where the corporation *dominates* the spiritual body, *rather than serves it*. Of course, when a corporation effectively serves its people, I call it *Corporate Subservience*. This principle applies to many other corporate tools as well.

<sup>11</sup> I've found that budgeting on 75% of the previous year's budget is a wise amount of cushion. It enables me three huge privileges that other pastors don't have. 1). Most major changes in a church can usually be calculated in terms of families and income. Every program I've ever had to kill usually cost me around 4-5 families. But, if I don't have cushion in my finances, I tend to make decisions more out of politics than health. 2). A cushion keeps my staff and I safe from down-sizing. Nothing kills your church momentum quicker than having to fire people or freeze ministry spending. 3). A cushion better enables me to release church members to plant churches and do missions. But, if I'm idolatrously addicted to people's income, I won't be happy about sending them out to fulfill their calling. But, the Bible teaches that there's more blessing in giving than receiving. So, when I'm stingy with releasing people – due to lack of margin, I also cut myself and my church off from the blessings of God. We pastors often teach the tithe, yet we fail to apply this same logic to our people. Every church should be capable of "tithing people" onto the mission field. I.e., Financial margin is a lot like the Sabbath. When we honor God with it, God bestows us with abounding supernatural capacity (2 Cor. 9:8; Mt. 6:33).

For example, my friend attended a church with an older style sanctuary. Many younger people were coming to the church hoping for a contemporary worship format. But projection screens needed to be installed; and, such an installation didn't fit well into the older design of the sanctuary. Even more, the presence of drums required some acoustic treatments. But, the architecture was very sacred to many older people. And there weren't any other places in the building where a contemporary service could be held. After a lengthy debate, the church voted the idea down for a few years. Not surprisingly, the church ended up with a huge exodus. Only one person under fifty-five remained in the church! The church is almost completely dead today – all because of some tiny architectural problems. Once again, the tool had become the end in itself. The corporate asset became more important than the true church. The church culture did not maintain corporate subservience; and hence, the church began to die.

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*“Never stand  
behind the pulpit  
needing an  
offering.”*

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As one last example, church programs are a massive tool to enhance discipleship. But, as we all know, it's much more exciting to *start* a program than it is to *kill* a program. Many leaders find it easier to arm-twist people into maintaining a dying program than it is to simply put the program to death. Thus pulpit arm-twisting becomes a typical mode of operation within corporate dominated cultures.

Again, we need to guarantee that our programs are an enhancement and outgrowth of the community rather than the master of it. And the moment a building, an asset, or a program becomes more important than the fruitfulness of the true church, is the moment that church has begun to die. Thus, it is the job of leadership to guarantee that the “living stones” of Christ's church are always more important than the life-less stones of an aging corporation.

I've spent many years working with pastors in persecuted countries. My western Christian friends have always asked me: “*Why is it that churches in persecuted or third world countries seem to grow so fast.*” Of course, I don't want to over-simplify things; yet, corporate subservience is definitely an answer.

It's illegal for many of these churches to organize a *corporation*; thus, their focus is much more organically directed on home fellowships and old-fashioned mentoring. Or many of these same churches simply don't have enough money to build an encumbering organization. Hence they live in an environment where corporate subservience naturally occurs.

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*“Corporate  
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question: ‘Why do  
persecuted churches  
grow so fast.’”*

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Today, we live in an era where there is a strong “anti-mega-church movement”. People are always telling me: “*Mega-churches are too corporate, too impersonal, & too obsessed with huge buildings.*” Of course I empathize with these sentiments. Yet, almost every argument I've ever heard against mega-churches is really just a cry for corporate subservience.

In other words, the debate has been incorrectly centered around “church size”. But, the real reason why a church feels “corporate” and impersonal is because of this deeper problem that looms beneath the surface. And ironically, corporate subservience can sabotage churches of all sizes – even home churches. So, statistically speaking, church size has nothing to do with the real problem.

For example, no one in their right mind would say: “*Medium size houses make for healthier families*”. The size of the house has nothing to do with the quality of the family – despite the bad experiences you may have had growing up in a certain size house. Similarly, no

one in their right mind would say: “*Smaller churches have more faith*”; because, faith is a “value”, not a “church size”. And your church either values “faith” or it doesn’t. So let’s get beyond the ignorant myths and start asking the question: *How do we employ the values of corporate subservience?*

## The Structure that Enhances Subservience

On the surface, *corporate subservience* would seem to be a simple concept to enforce. For example: “*Focus on organic small groups & mentoring... don’t hire more staff than you need... don’t get too far into debt... don’t continue programs that require more energy than they are worth.*” However, with the wrong form of church government, it’s nearly impossible to actually “*subdue*” the corporation. Here’s why:

Healthy *corporate subservience* regularly requires change. Change is hard – even when its positive. So toss in an unwise number of decision-makers who are also underqualified to discern corporate subservience, and killing a program is downright impossible. In other words, corporate subservience also requires *controversial* change. Everyone is going to have a different opinion on “*how to downsize*”.

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*“Every argument I’ve ever heard against mega-churches is really just a cry for corporate subservience.”*

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For example, we know that “*a few staff members may need to be laid off; but, which ones?*” We know that “*a few programs need to be cleared off the schedule; but, which ones?*” Sometimes even fruitful programs and delightful staff members need to

be pruned to create organizational health. And this is where your church government becomes critical.

When a church has too many legally empowered decision makers, these types of subjective decisions become impossible. Every time corporate subservience is attempted, the church will likely split or simply “live in denial” to keep the peace. To compound the issue, as churches grow, so do their assets. As assets grow, so do the number of people seeking to control the assets. As this number increases, the likelihood that a group will take risks (necessary for corporate subservience) generally decreases. The net result is organizational death.

Like we mentioned above, some churches manage to overcome these weaknesses through humility, finesse, and good central leadership. And once again, it’s great when these things save the day. It’s just that, after the founding pastor, the odds of a church having central leaders capable of accomplishing this becomes increasingly slim.

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*“the average church goes into an almost irreversible plateau after its first twenty years.”*

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This is probably why the average church goes into an almost irreversible plateau after its first twenty years<sup>12</sup> – usually after the founding pastor has resigned. And unless the right type of government is in place, churches usually never recover from this cycle.

Again, most church government problems don’t occur until after the founding pastor has gone – (or until the central leader begins killing their own credibility). Thus, a healthy government must be able to enhance corporate subservience *even within* a weak or diffuse power

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<sup>12</sup> In the book, *The Pastor’s Manual for Effective Ministry*, Win Arn stated that most churches begin plateauing and declining around their 15<sup>th</sup> to 18<sup>th</sup> year (Monrovia, Calif.: Church Growth, 1988), p.41

structure.

So again, it begs the question: *How do we create corporate Subservience?* But before I share a bylaw solution to this, I want to push the pause button for a second. The bylaw system that I propose in chapter six is going to answer this question in greater detail; but, before we dive deeper, I want to spend time processing how these five building blocks apply to our classic forms of government.

## Chapter Five:

# The Critique of the Classical Models

*How do the classical models of church government stack up to the Five Building blocks?*

If you're dying to skip ahead to my Hybrid proposal in the next chapter, feel free to do so. But the following chapter is devoted to two types of individuals:

The First group are the ones who are still asking: "*What's wrong with my classical system of governance?*" I realize that the preceding chapters are both abstract and philosophical. So, right now, I'm going to boil my ideas down into a practical series of rants – (hopefully, they will be pleasant!) Many leaders understand the decision making matrix (illustrated in chapter two); yet, they fail to see how this plays out within their traditional governance systems. So, allow me to specifically critique how the classical models run into problems.

The second group who will benefit from this chapter will be those who are wanting to bring about change in your church. Many of you are currently stuck in a leadership dilemma; or, you are stuck in a denomination which requires a certain type of government. But, before you start a revolution of your own, I want to help you count the cost. I want to make sure you've considered all of your options before your "*revolution ends with an execution*". So, I'm going to share a deeply personal story that will hopefully give you insight into your own.

And let me warn you: I may lose a few friends with my commentary up front; but, keep three things in mind: 1). We aren't debating something enormous like the inspiration of scripture. This is merely an educated opinion. 2). I'm not questioning the motives behind these systems; rather, I'm questioning their ability to consistently enhance your local community over the long haul. And lastly, I realize that many of you are probably politically obligated to a particular system. However, 3). we need to be brutally honest about the strengths and weaknesses of our systems. Denial has never been a very fruitful strategy. So proceed with caution!

## Congregationalism

Congregationalist governments work great when it comes to decisions that require large amounts of "buy-in". They are also great when it comes to large decisions that need people to process things slowly. But this speed can also work against them.

Let's face it: the world is moving faster and faster. There are an enormous amount of cultural changes facing the church right now. Worship styles are evolving. Evangelism methods have changed. Effective architectural styles have dramatically shifted in the last twenty years; yet, Congregational churches have been atrocious at responding quickly. Contemporary worship swept through the independent church movement almost four decades ago; yet, congregational churches are still endlessly debating its value. In the business world, a sales model that's four decades old is ridiculously outdated. Yet, sadly, in the congregational church world, this is still a relevant debate.

Congregational churches are also notorious for church splits and political dead-locks. Thus, the old Baptist joke goes: "*How many Baptists does it take to screw in a light-bulb?* It

*doesn't matter because they'll all disagree on how to do it.*" Now certainly this joke is a lame generalization. There are many dynamic united and fast moving Baptist churches. But, I believe the sentiment stems from the fact that their governance system tends to empower a lot of highly subjective decisions to be made by large quantities of people.

Congregationalism worked fine back when 99% of these churches were under 80 people. This was a model that was designed when churches were far smaller and localized. Yet, the average church size has skyrocketed. We live in an era of super-mega-churches – where churches of over 50,000 members are becoming common. And when you give a highly subjective decision over to a large group of people, (like a decision over a churches' worship style, staffing, or budget) you're going to have 50,000 opinions. And many of those people are likely going to be under-qualified decision makers.

Therefore, it's also not a surprise that congregationalist churches tend to make decisions much slower than other types of churches. They are forced to spend a much larger amount of time educating lay-people on corporate decisions that are becoming increasingly sophisticated. Also, keep in mind, other governments have the option to include larger groups of people when they think it wise; yet, they aren't *obligated* to do so. Yet, many congregationalist churches value *obligatory consensus* above all else – which can exact a painful price from your church.

I recently recall a congregationalist denomination voting on the doctrine of Open Theism – a theological debate relating to God's Omniscience. I was interested in it because I had a personal obsession with the issue. I had memorized almost every verse in the Bible pertaining to omniscience, immutability, and predestination. After studying the issue for seven years I finally decided that the issue is ultimately unknowable.<sup>13</sup> (My smart friends had been telling me this all along). Yet, this congregationalist denomination literally forced thousands of people to lay down the *Great Commission* for a far lesser commission: The pursuit of perfect theology.

Yet all the while, there's an AIDS pandemic. Child-sex-trafficking exists all over the planet. People are being brutalized by poverty – both domestically and abroad. Children are raising children on dangerous streets all over the world. Lost people are searching for basic answers at an unprecedented level. The Bible hasn't even been translated nor distributed into all languages yet. But even still, we embroil an entire congregation around a question that is probably unknowable? And perhaps I'm a bit too pragmatic about my spirituality ...but 90% of Christians don't even live out the most basic commands of scripture. Like a wise man once said: "*why strain out gnats and swallow camels*" (Mt. 23:24)?

Yet, this distracting corporate processing is an inherent part of a congregational system. Congregationalism gives a larger platform to almost any small theological lobbyist. And thus, the responsibility of voting causes the average church member to spend a considerably larger amount of time debating secondary or even irrelevant church policy – which often amounts to nothing more than a distraction.

Even more, congregationalism lends itself toward the "*everyone's a quarterback - no one is a lineman*" approach. (I.e., the ball is "safer" because everyone has a hand on it simultaneously). Of course, I admit that many congregationalist churches do, in fact, achieve healthy role definition. Again, I know of many healthy congregationalist churches who allow specialization and role definition to occur. But again, this is the exception and not the rule. Inevitably, congregationalist churches are notorious for plateauing after a leadership vacuum occurs. I.e., the strong central leader moves on and the church reverts to the "everyone's a

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<sup>13</sup> The problem requires that we know with certainty the answer to numerous unknowable theological questions. Specifically: "Is God inside of time or outside?" "What is the perfect hermeneutical approach to anthropomorphic language within scripture?" Don't get me wrong: I have an opinion. But the essence of legalism is when a person makes a gray issue more black and white than it really is.

quarterback” approach. Hence, it’s only a matter of time before the offensive strategy is stalled out.

## **Presbyterian (Elder-Board Run)**

Presbyterian systems aren’t much different. In many respects they experience many of the same problems as congregationalist churches do; however, they do so in lesser frequency. Obviously, the reduction of decision-makers certainly helps them move forward more easily on subjective decisions; but, they are still narrow-mindedly focused on one side of our decision making matrix. They are still bad at maintaining *corporate subservience*. And there are admittedly times when these board-run churches would do well to consult their congregations (as in the selection of their senior pastors).

Of course, we can’t be too harsh on our Congregationalist and Presbyterian friends. After all they do have certain advantages over their Episcopalian counterparts. They are locally governed – meaning, they’re actually in-touch with the local congregation members (which is not often the case in many bishop-run models.)

## **Episcopalian**

For centuries, Episcopalian governments (like the Catholic church) have been plagued by out-of-touch bishops stomping out their out-of-touch decisions. However, church history has more than proven that we cannot legislate theology nor morality. All influence is local.

For example, I have numerous pastor friends who have been life-long members of the Methodist church. They’ve told me endless stories of how Methodist bishops have wounded their churches by purposefully relocating their pastors every couple years – weakening the influence of local leadership to buffer their reliance on regional leaders.

Thankfully, I’m told, there have been some positive trends in recent times. But strong churches throughout the centuries have always had strong local leaders. And when non-local leaders can ignorantly micro-manage local decisions, there will certainly be a break-down of functionality.

To their defense, there are also times when this model can be a huge blessing to local churches. Episcopalian models are altogether better at mediating local conflicts which would create church splits. The professional objectivity of a bishop can often liberate a church board that is embroiled in bizarre local agendas. When pastors fall into sin, the Episcopalian model has a clear advantage in meting out balanced discipline.

## **Singular Elder/Pastor Model**

But let’s not forget about the autocratic “Singular Elder/Pastor Model” – or the “Apostolic Pastor” model. (My friend affectionately calls this the benevolent dictatorship). Independent churches flocked to this model throughout the 1970’s and 1980’s. There are certainly a good number of strengths. Decisions and change can be made quickly – as only one person is making them. Corporate subservience comes easier in these churches. But who “on earth” holds this leader accountable? What if an idiot finds their way into the driver’s seat?

In many ways, this model can become rather cultic in the way that it empowers its leaders. These churches are notorious for having hyper-developed authority structures. And many of these churches can become obsessively focused on the pet-ministries of the senior pastor rather than being based on the gifts and passions of the people. (Which is one of the highest

causes of disgruntlement within a church.<sup>14</sup>)

Even more, this model will certainly experience its share of church splits. Monarchies never last forever. And “family dynasty” churches are the same way. They almost always develop a “yes-men” problem over time. Allegiance to the “party line” causes these churches to become self-intoxicated and out of touch. Within a decade or two of its founding fathers, the church fades into nothing more than a large family gravestone for the founding pastor.

You see, it’s time we figure out a new system. Based on political history, many polity experts believe that all four of the classical models will eventually gravitate towards a presbyterian style governance model.<sup>15</sup> And perhaps this is so. However, I still believe that it’s possible to extend a churches’ life-expectancy by simply re-organizing its checks and balances.

## Things to Consider Before Changing

First of all, I’m glad you survived all of my philosophy ranting. Hopefully my honesty didn’t offend you too much. Remember, we’re not talking about the Bible. We’re merely hashing out political theory. Sure, it’s important; but, there’s no reason to burn your Aunt Bessie’s Bible study group for believing or not believing anything in this booklet. Besides, we have a great commission to fulfill. And we’re just sharing ideas about how to do this better.

Secondly, if you’re looking to change your churches’ government or bylaws, take it slowly. Before attempting this, it’s important that you ask yourself several key questions, like: “*Am I really in a position to do this?*” Governance systems are a hard thing to change – even when you’re a senior pastor or influential elder; but, when you’re neither of these, it can be next to impossible. Your most sincere suggestions can be perceived as a power-play. Thus, another key question would be: “*What kind of internal battle would this change create?*”

Some churches are ripe for a change. But quite often, it’s simply easier to join a different church or plant a church than it is to re-steer a large ship. I’ve seen many Christians rip their churches apart to implement a new government. God will *certainly not* bless such attempts.

Yes, it takes a lot of faith to switch over to a new church after you’ve sown your blood sweat and tears into a place – not to mention money. But, the Bible is pretty clear that God honors prayer and humility over politicking the vast majority of the time.

I once senior pastored a church with millions of dollars in assets – around 75 acres of paid-off land. But I unpleasantly discovered that, if I was to make the changes I wanted, it would have forced a good number of people to move out. They simply weren’t ready to accept the changes I was interested in making. And I wasn’t ready to wait. So, I decided to take the higher road and plant a church. It was very tough for me to resign after sowing such a large quantity of time and money into that place. Even more, I enjoyed a fantastic office and a fantastic church auditorium. (So, I must admit, for a while, I was tempted to start a good slug-fest.) But, “*wisdom from heaven is peace-loving*” (James 3:17). And the “*Lord is good to those who hope is in Him*” (Lam 3:25). So, we stepped out in faith rather than “staying in with frustration.”

Within three years, we found ourselves pastoring a new church with three times the

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<sup>14</sup> Statistician Christian Schwartz found that when people in your church do not know what their true gifts are and are not given the opportunity to serve in the area of their greatest gift, they will have a significantly higher likelihood of frustration. *Natural Church Development*.

<sup>15</sup> In secular political theory, this evolution is called *The Iron law of Oligarchy*. Sociologist Robert Michels suggested in his famous 1911 book *Political Parties* that, any organization, no matter how democratic nor autocratic, will eventually become an oligarchy (that is, a governance of an elite few). The Presbyterian governance is probably the closest church model to an oligarchy. The reasons given make for a very interesting read.

attendance and income that we previously enjoyed. And even nicer, I don't have to live with the guilt and constant rationalizing that usually accompanies carnal political maneuvers. *"It is better to take refuge in the Lord than to trust in man"* Psm. 118:8.

So count the cost on both your church and your family before you launch any political campaign. Prayer is God's alternative to politicking. And I would rather move my family to a life-giving church in Siberia than sit and bicker with a bunch of distracted carnal Christians. Don't let your ego or your lack of faith pull you into this distracting foolishness. So, let me give you some sound advice about counting the cost.

If a renovation process in your church will rob you of your innocent heart for God, it is surely *not* God's will for you. In the last couple years, I've watched God build several 5000 member churches out of nothing – in just a few years. The members of these churches are euphoric about how God is using them! So it's downright sad and depressing to watch grown Christians waste years of their lives in a tug-of-war when they could have been busy with the Gospel of Christ.

Even more, churches can still glorify God even though they employ inefficient systems and imperfect leaders. You yourself are a great example of God working with an imperfect person. And if your church is highly resistant to such changes, chances are the church is gonna die either way: So, in my experience, it's better allow someone a graceful death than a bitter political death (with you holding the knife).

Third, realize that, the context of your church may affect things: Every church atmosphere is slightly different. If you're in a small town church with slow growth momentum, (and you happen to have a huge number of mature Christians), church votes may be a very comforting thing. However, if your church is built for faster growth and you happen to have a large number of baby Christians with bizarre opinions on everything, church votes may feel a lot more like a horrifying chapter out of *the Lord of the Flies*.

So, realize that, not every church values innovation, growth, and specialization to the same degree. And it might be wise to ask the question: *"Are my values really in sync with the majority of the decision makers here?"* If not, your agenda may be an exercise in bloody politics.

Lastly, if you recently walked away from a church disaster, like most wounded people, your impulse is going to be towards a system which affords you more control. But don't allow your emotions to over-ride time-tested principles. Many governments are nothing more than a bad over- reaction to a previous abuse – yet the new system isn't actually better.

Believe it or not, Chinese Communism was a reaction to their previous government's abuses. It promised the people salvation; yet, ironically, it created more abuses than the government it replaced. So, don't pendulum-swing to an equally inferior system simply because it helps you heal quicker.

So with all this in mind, let's charge into new territory. In the following chapter I'm going to pull out all of our building blocks and stack them into a newer system. Of course, I'm going to get very practical. I'm going to specifically define all of the players within our church government.

However, I will warn you: I've had numerous pastors take my proposals and modify them in some pretty hideous ways. Thus, they falsely assume they've improved their governance system when in fact, they've simply adopted a white-washed form of another weak government. So, I'll let you know which components are more critical than others. But take your time. There are some real gems for your church family hidden in the details.

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*"Prayer  
is God's  
alternative  
to politicking."*

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## Chapter Six:

# The Hybrid Solution

*What if we took the strengths of every classical government and minimized their weaknesses?*

So here we are at the end of our journey. We've analyzed a lot of weaknesses. But how can we improve on them with a new strategy of government? Well, thankfully, there's already a government that heeds many of these building blocks.

The following government has been given many different names. Many call it "the life-giving form" of church government;<sup>16</sup> but, I tend to dislike this name because it implies that every other form of church government is inherently "life-sucking". Ultimately, I know pastors who've managed to create healthy forms of all four of the classical governments. The problem is: those governments are very hard *to keep healthy* after a power-vacuum occurs in central leadership positions. So, I prefer to use a more neutral name: the *Hybrid Government*.

The reason why it's called a Classical Hybrid is because it merges elements of all four of the classical forms of government. In a sense, it takes all the best strengths of each classical government while minimizing many of their weaknesses.

And before you think that I created this hybrid, it's actually been around for a while. Currently, it's one of the faster growing church governments on the planet. A large number of the fastest growing churches in America use the hybrid system. Many non-denominational churches are moving in the direction of the hybrid.<sup>17</sup> So, this is neither a rare nor an untested model.

Now the brilliance within this system is quite subtle at first. So allow me to begin first by describing how the three boards work. And afterwards, we will explain how this system nimbly functions within our decision making matrix.

## The Three Boards of the Hybrid System

In short, the hybrid system looks like this: When it comes to the selection of Senior Pastor and Elders, it's Congregationalist (a self-governing democracy that votes). When it comes to budgeting, assets, and bylaw management, it is essentially Presbyterian (board-run). When it comes to investigating / disciplining / or removing the senior pastor, it is Episcopalian (bishop/outside overseer run); and when it comes to day to day management of the organization, it is "Single Elder/Pastor" led.

The key to this system rests in using a modified form of a "three board system." These independent entities consist of a board of *elders*, a board of *trustees*, and a *board of overseers*.

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<sup>16</sup> A form of this 3 board system has been proposed and popularized by people like Ted Haggard in his book *The Life Giving Church*. Hence many people have started coining it: "The Life-giving government".

<sup>17</sup> Organizations like the Association of Life-giving Churches have embraced a hybrid model for their church plants. See [www.relatedchurches.com/online-resources](http://www.relatedchurches.com/online-resources) for information (accessed June 2008).

Here is the specific role of each board:

**1). The Trustees** are responsible for the financial well-being of the church. They monitor accounting and business practices. They must vote on any mortgages, contracts, or major financial decisions. They assure fiscal responsibility (both to the church and the I.R.S.) They help develop the budget, manage the assets, & aid in facility acquisition and management. I.e., their role is primarily placed on the “business” of the corporate church. And their distinct focus enables them to aid in the business planning of the organization (being freed from the typical responsibilities of an elder.) Like many larger churches, the role of trustee is separated from elder to enable expedience and focus.

Generally, this board consists of business executives, C.P.A.s, general contractors, and other “corporate savvy” individuals. They are nominated by the senior pastor and approved by the Elders.

**2). The Elders** are responsible for shepherding the people. Their distinct focus frees them from the endless lists of corporate responsibilities. As an extension of the senior pastor, they are free to serve the people through prayer and shepherding. In some hybrid churches, executive pastoral staff are automatically considered elders. They assist in administering the sacraments. They decide and manage the statement of faith (if necessary). They help manage the church in times of duress (for example, they would aid in mediating or settling a dispute in the church). They manage licensing and ordaining (if necessary). They are nominated by congregational vote. But the senior pastor has “veto” power on nominations (in case of confidential knowledge). And in highly political cases of conflict (such as a serious and viable accusation against the senior pastor), the elders have the authority to call in the third board, which is the board of registered Overseers.

**3). The Overseers** are a board of successful senior pastors who govern churches outside of your church. This board is generally comprised of mentors of the senior pastor who pastor churches that are generally larger than your church – or at least have experience in pastoring churches of similar style. In the case of alleged misconduct, they investigate and, if necessary, decide the disciplinary course of action. The key words which define this board are: *professional*, and *objective*.

For example, when accusations or local crises occur, the parties involved tend to lose both their objectivity and discernment. The withdrawn objective nature of the overseers seriously reduces the risk of dirty politics and mixed motives which often embroil a crisis or a leadership vacuum. The sheep should never have to discipline their shepherd. Thus, overseers alone have the ability to remove, discipline, or exonerate a senior pastor.

History has shown us that when local elder boards have either the authority or desire to discipline the senior pastor, the ruling will usually be highly politicized. I.e., it will either be too harsh or too soft. Statistically, this often results in a church split. Thus, in times of conflict, it helps to have an outside board as they generally carry greater credibility and objectivity than local boards (who are usually plagued with conflicts of interest).

But it’s important that these overseers are perceived as credible and objective in the eyes of the board and the people. For the overseers to function correctly, they need to be in regular communication with the senior pastor. Secondly, they need to be accessible to the people of your church (For example, it helps if they can preach at least once a year). And third, they need to be more than two people. I’ve seen overseeing boards fall apart because of a singular dominating overseer with a myopic agenda. Thus, you really need *at least* three overseers for this board.

And in my opinion, five is an ideal number.

Even more, the overseers are ministry professionals who are better attuned to satisfying the corporate management needs of a church (which is pretty valuable when key staff members are suspended for investigation or are being removed). Often played by denominational leaders or apostolic mentors, their resourcefulness during times of duress can be indispensable (such as finding supply preachers, and/or guiding the public relations process).

However, this system also prevents these overseers from becoming micro-managing “bishops” as they are only called upon when authorized by the Elders. Hybrids extend differing degrees of authority to overseers based on the nature of the crisis.

## Why separate into Three Boards?

Remember, the million dollar question is: *Do the right amounts of people with the right qualifications have the authority to make the right decisions?* If too many people are being legally empowered to make a highly subjective decision, the odds of polarization and perceived disenfranchisement increases (a.k.a., the Subjectivity Size Principle). And, when highly complex or specialized decisions are entrusted to under-qualified decision makers, the odds of losing both discernment, time, fruitfulness, accountability, and overall ministry-focus increases (a.k.a., The Qualification Effect).

So the power behind the three board system is this: Specialization and Role Definition. Again, it’s much like a football team. When your quarterback, your running backs, and your offensive line are all in sync with one another, there is protection; there is progress; and, there is victory. But this is not so when you have eleven quarterbacks and no offensive line. Not everyone can hold the ball at the same time. And not everyone should call the plays. At some point, players will need to allow role definition and trust to take root. But many church governments refuse to allow this.

Traditional church governments falsely assume that “just because you can’t over-ride the play calling means that the play-calling is unsafe.” Or, “just because you aren’t carrying the ball, this means the ball isn’t safe”. But this simply isn’t true. Indeed, the ball is actually safer when it’s in the hands of a skilled player.

For example, running backs are specially trained on how to hold the ball while 300 pound men are violently trying to rake it out of your hands. Quarterbacks are specially trained to identify defensive formations and exploit them on the line of scrimmage. Coaches are specially trained to call statistically effective plays based on game information. So we would have to be out of our minds to create a governance system that can consistently undermine this structure with voting.

My congregationalist friend once objected: “*Well, we allow role definition to occur!*” (And although he had a presbyterian form of government, it happened to be true). But, I contested, how well would that role definition continue when the stakes are high and a highly subjective decision is being made. Believe me: When the stakes are raised, everyone will seize every last ounce of authority given them according to the bylaws. Role definition and specialization will generally go right out the window (See the “*High Stakes Rule*” of Chapter 3).

For example, Congregationalism may allow someone to be called “the coach” or “the quarterback” (senior pastor); but, the bylaws ultimately give “the season ticket holder” (a.k.a., the congregation), the final say. So, what’s going to happen when the game is on the line, and

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2/3rds of the season ticket holders say, pass the ball – yet you know better than anyone that you should run it (after all, it’s your job to know these things – you’ve spent your whole life studying for this moment). So who’s really in control in this situation? The “Quarterback” is nothing more than a meaningless title, because, at that moment, everyone’s technically a quarterback.

Presbyterianism works in a similar way. But, instead it would limit the power – only to the key players. The game is on the line and the influential wide receiver feels he isn’t getting the ball enough. So, the bylaws give him the ability to politic. In fact, he feels that *he* would be a better quarterback on that particular play. And lucky for him, he’s got more influence than both the coach and the quarterback. Is this really a safe authority structure? Not at all.

You see, anyone can say that they allow “role definition” and “specialization” to occur within their church. But, until you give that group or person the ultimate say, your role definition is merely a temporary phenomenon. To create *true* role definition, you may need to delegate the privilege of being the final authority on certain things. Because, the moment a leadership vacuum occurs (such as a founding pastor resigning) or the moment the stakes are high (like when making a strategic church decision), other systems will often melt under the pressure.

### ***So how do these board play out?***

But what is the exact accountability within this system? First of all, each board has its own internal accountability. Trustees can be countered by other trustees – elders by other elders and overseers by other overseers.

*Trustees* cannot be approved without being nominated by the senior pastor and confirmed by the elders. If a trustee gets weird, they can be removed by the senior pastor – but only one of them every six months (to prevent the senior pastor from stacking the board with “yes” men if someone dared to disagree with him).

*Elders* can only be nominated by the people in a congregational vote and confirmed by the senior pastor – and only removed by a vote of the other elders.

*The senior pastor* can only be voted in by the congregation; and, he can only be removed if, the elders call the overseers and the overseers deem it wise to do so.

And, *The Overseers* can be removed by a majority vote of the elders; but, only one per year – again to prevent a dominating board member from forcing their ill agenda.

So, these checks and balances force an interdependency of the boards. Churches are safe from “gang-leadership” structures. The risks of collateral damage are minimized; and, the incentive for rational and respectful conversation is maximized.

### ***The Power to Execute Corporate Subservience***

But there is one other brilliant benefit to structuring your church like this. As we mentioned before, maintaining *corporate subservience* is close to impossible without the right form of government. And remember, this is what affects your churches’ life-expectancy!

Again, remember, there are two entities within a church. There is the “Corporation” (a.k.a., the staff, the building, the assets, the programs, etc). And then there is the “Spiritual Body” (a.k.a., the true church, the actually network of people who love God and each-other). When the Corporate tools become equal in emphasis or importance to the spiritual body, the church begins to die. I.e., The tools kill the church by becoming the end in themselves. The building no longer enhances the organic discipleship of the spiritual body. Instead, the people of the spiritual body are mere giving units who service the debt on the building. (I.e., the tool

enslaves the master). But this begs the question, how does a church government create this?

Earlier we mentioned that corporate subservience requires highly subjective, complex and controversial decisions. Everyone will have a different opinion on *how* to budget, *who* to cut and *how to prioritize* or down-size. For example, we know that “*a few staff members may need to be laid off;*” but, which ones? We know that “*a few programs need to be cleared off the schedule;*” but, which ones? Sometimes even fruitful programs and delightful staff members need to be pruned to create organizational health. Once again, the Subjectivity/Size Principle and the Qualification Effect teach us that ill sized groups of unspecialized decision makers will only decrease a churches ability to create corporate subservience. So what should we do?

I’ve obsessed over the issue of corporate subservience for years. I’ve counseled with hundreds of churches that were dying because of programs they couldn’t kill and mortgages they couldn’t afford. And no matter how much I taught these boards, very few could trudge through the highly political landscapes which surround these decisions. Thus, in my opinion, Corporate Subsistence decisions are simply too subjective to hand over to groups of people.

So, I’ve only seen one solution actually work: You must split the governance structures of the corporation from the spiritual body (like two branches of government). One focuses exclusively on corporate health (proper business planning, staff management, I.R.S. compliance, etc.). The other branch (the Elders), focuses exclusively on the spiritual body (mentoring and shepherding).

And, the most critical concept is this (which we borrow from the fourth model, the Singular Elder/Pastor Model): Only allow *one person* the advantage of controlling limited aspects of both the Corporation and the Spiritual body. I.e., Both branches of church government come to a head in the merged role: “Senior Pastor / President”. One person is the *Senior Pastor* (or the head of the elders and the spiritual body); but, he/she is also the *President* (or the head of the trustees and the corporation). But why is this merged role so important?

When we separate the *Presidency* from the *Senior pastorate* we have effectively created a negative “*balance of power*”. Again, remember, a balance of power between a corporation and a spiritual body is actually a *bad thing*. It means that the “*church building*” is equally as important as the actual “*church community*” – which is certainly not how God sees things! We would be foolish to protect the “tools” of the church equal to the church itself<sup>18</sup>.

Of course, many churches do separate the “President” role from the “Senior Pastor”. This balance of power is done under the guise of creating accountability and discernment; but, in reality, it adds neither. Suddenly you have a senior pastor with no real authority over the church tools. And you have a President with no ability to actually implement the tools for true ministry. In essence, this split plays out like a co-dependant “Co-pastorate”. And stalemates dramatically increase in these types of churches. Therefore, the subjective nature of corporate subservience is much more functionally executed when you marry these roles into a singular “Senior Pastor/President”.

At first, it would seem that this senior pastor / president has a huge amount of power. But the alternatives are usually worse. When you separate these entities, you are essentially creating a presbyterian / board run church (a board of two). I.e., all of the liabilities of a board-run church are suddenly reintroduced into the system (including a higher risk of split, a shorter life-expectancy, etc.) You see, even two people can make corporate subservience a tricky thing.

Realize a hybrid government with a split senior pastor / presidency is really a presbyterian government. And, don’t get me wrong, such a system is probably least destructive of the classical governments; but, when you really analyze it, the accountability provided in this

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<sup>18</sup> Again, if this doesn’t make sense, re-read Chapter Four on Corporate Subsistence. After all, splitting the senior pastorate and the presidency will likely limit the life-expectancy of your churches’ “growth” season.

system simply doesn't outweigh its liabilities. It may create the appearance of safety, but there are better ways to create safety. Here's how:

In the Hybrid system, the Senior Pastor/President role is limited and held accountable in many ways. The *Trustees* (representing the corporate branch) will hold the senior pastor / president accountable for all of the major financial decisions of the church (like debt, contracts, business practices, etc). The President can't just go out and buy a fleet of luxury cars for himself with church money – nor can he go get a loan for the church all by himself. He's got to submit those decisions to the trustees. But the trustees can't micro-manage the money either. (And this is where this system becomes brilliant).

The trustees are *not* primarily asking the question: “*How should this be used to serve the spiritual body*” as much as they are thinking “*Are we operating this church based on sound financial principles?*” In other words, they are *safe-guarding* without *stalemating*. They are advising without micro-managing. And yes, the difference between these roles can get blurry at times. So, think of the trustees like a crew of fire-fighters.

The trustees efficiently hook the hose to hydrant and the senior pastor aims it. I.e., They don't need to sit and debate “where to aim the water” (a.k.a., “what program is the priority?” “which secretary should we hire or fire?”). Instead, much like a football team, team-mates become *specialists* so that time isn't lost stalemating over subjective issues. And the senior pastor doesn't need to waste endless energy educating either the trustees nor the masses about why he “aimed the hose the way he did.” Nor does he worry about a split over his endlessly complex decisions.

And it's *not* that no one can question each other either! The whole point of the trustee

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*“It would be ridiculous to watch ten fire-fighters fight over the tip of a fire-hose while lives are at stake.”*

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board is to ask questions and scrutinize corporate decision making. And there may, in fact, be times that the senior pastor has seriously mis-aimed the fire-hose. So, a sequence of boards are activated which minimizes the politicking. (I.e., a report is made to the elders, and if necessary, the overseers are called in to make the final decision.) And, if everyone plays their roles correctly, and honors God by adhering to the system, the kinks will work themselves out. But when people are high-jacking roles that do not belong to them – or changing the rules as

they go, the process turns into a muddy blood bath.

In other words: YES! It's important to have checks and balances; BUT, it's far more ridiculous to watch ten fire-fighters fight over the tip of a fire-hose while lives are at stake. (And that's what eventually happens with classical church governments). Not all safeguards are created equal. Splitting the senior pastorate from the presidency probably creates more liabilities than it does provide safety.

You see, at some point, if the organization really wants to save lives, all teams need to accept the fact that their roles must become defined. (And when a church is wounded, this can seem like an impossible goal). But again, as I mentioned in the last chapter, we must not adopt inferior government systems simply because they help us heal quicker! We need to keep the big picture in mind. So, here is how most hybrids play this out.

## **The Nuts and Bolts of a Hybrid Model**

In a Hybrid, corporate decisions are highly regulated: All loans, all leases, and all property purchases must be done by a trustee vote (i.e., the big issues need votes). For example, the trustees set the senior pastor's salary. Also, the trustees have discretion of up to 35% of the

income for the purpose of managing the facilities.

But, we all know, budgeting can become a highly subjective and controversial process. I mean, everyone will have a different “favorite ministry”. Even more, everyone will have a different opinion about what each staff member is worth. (And most church splits happen over budgeting decisions). So, most hybrids regulate the budget like this:

We just mentioned that the trustees control up to 35% of the budget for the purpose of facility management. The remaining 65% of the upcoming budget becomes the discretion of the Senior Pastor. Of course, the trustees still help him budget his portion. The advice still flows in the direction of the pastor; but, the ultimate decision rests with the pastor. This freedom affords him the easiest ability to create corporate subservience – (and gives the church the best shot at longevity – as he has the ability to starve unproductive staff and programming with his 65%).

But what if the senior pastor decided to do something immoral with his share of the budget? Then, the trustees would make their case to the elders. And if the elders agreed, they would call in the Overseers. And if the overseers felt the Senior Pastor was out of line, they would rule in favor of the Trustees. You see... there are still plenty of accountability mechanisms, even though roles are very defined.

In the same way, the Elders will hold the senior pastor / president accountable for shepherding the people (and vice versa). Elders have significant relational influence (as they were elected by the people). Naturally, they are ideal for helping to steer the people by performing a long list of significant pastoral responsibilities. But they do not think about financial assets. They aren't worried about church leases. Their job is not to decide: “*How should the corporation be used for the spiritual body?*” Nor do they want to.

First of all, if the trustee board is filled with brilliant business men, C.P.A.'s and savvy contractors, why would the Elders want to steal corporate decisions from them? If my wife is on the operating table, it would be in my best interests to leave the doctor be! Yes, it's fine to ask questions; but, if my motive is merely to seize control, I'd be a fool.

Secondly, how do I truly give myself to the job of shepherding and mentoring people if I'm constantly distracted with lease discussions and payscale debates. Especially if your church is in a building project, there will hardly be any shepherding going on. The focus of the team will be completely highjacked by corporate conversations. And quite often, the stresses of church discipline, conflict mediation and small group mentoring will cause you to do a miserable job at holding the senior pastor accountable for good financial management. I mean, how will you have time to double check the church books and oversee an internal audit when you're trying to be a shepherd.

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*“If my wife is on the operating table, it would be in my best interests to leave the doctor be!”*

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Once again, when roles are defined, focus and specialization increase. With increased specialization comes an increase of trust and effectiveness. Before long, your trustees, elders, pastors and overseers will operate like an unstoppable well-oiled football team. Sunday after Sunday you will march the church into victory.

And when sinners are transformed (because the government is functioning well) people will rejoice! Rarely do people harass their leaders when things are going well. The joy of watching spiritual transformation is *far too exciting* to get caught up nit-picking about church decision making.

And *that* should be the dream of every church system: *to keep God's people completely focused on the Great Commission.*

## Chapter Seven:

# A Sample Constitution

*“Church longevity requires a lot more than just a good church government.  
But make no mistake, rarely will this happen without one.”*

Here is a sample constitution that you can use for your church. Many people ask me about the technical difference between “bylaws” and “constitutions”. In many circles, these ideas are interchangeable. However, in many denominations it refers to two entities: 1) Constitutions are non-modifiable bylaws. (I.e., participation in the denomination requires that they keep these rules intact.) Thus, “Bylaws” more specifically refers to the “modifiable” business practices of the church. But in the following constitution, such distinctions are irrelevant.

But before you read ahead, keep three things in mind: First, if you want the philosophy behind these bylaws, you need to read the preceding chapters. The following sample is filled with complex legal jargon. So, don’t be afraid to skip back to chapter six – where I re-emphasize the philosophies behind the basic components.

Secondly, if you’re interested in downloading an alternate free sample copy of a hybrid system, simply visit [www.relatedchurches.com/online-resources/](http://www.relatedchurches.com/online-resources/). The Association of Related Churches is a well-known advocate of a hybrid model. Thus, they offer a sample-bylaw under their administrative document section.

Lastly, feel free to change portions of the constitution below. Not all parts of it are equally important. For example, every church has different opinions on membership. You may also want to add more specifics about how your elders and overseers play their roles. So allow your values to be a part of things. However, as a word of caution, I’d avoid any changes that eliminates the three board system or splits the senior pastor and presidency. After all, the whole brilliance of this hybrid rests on that design.

Ultimately, there are many other subtle advantages to a Hybrid system. So, I encourage you to talk to pastors who’ve been a part of one for a while. If you have any questions about anything I’ve mentioned above, simply email me at [peter@substancechurch.com](mailto:peter@substancechurch.com). Simply put “Church Government Question” in the subject line, and I’d be happy to talk with you about it.

But, this is the real goal behind this entire essay is simple: Church governments should operate so efficiently, that church soap-operas are few and far between. Chances are, you’re going to have a few no matter what. So you certainly don’t need a flawed system compounding your problems.

Even more, apart from providing safety and stability, we simply want to steward God’s people in a formation that leads God’s people into victory. But few churches have been capable of consistently passing that momentum on for longer than twenty years. Certainly, church longevity requires a lot more than just a good church government. But make no mistake, rarely will this happen without one.

We want to reach people with the love of Christ. Christ likened us to doctors who reach sick people. The church is meant to be an emergency room for lost people. When we are giving

spiritual CPR to a dying person, we simply do not have time to be sitting around debating about the decorations on the E.R. walls. And that is what a good church government will prevent. Desperate people have different priorities. Christ is seeking lost souls. And *that* is what's at stake when we employ a mediocre governance system.

P.R. Haas

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A Nonprofit Corporation

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# BYLAWS OF Generic Church, INC.

A Nonprofit Corporation

## ARTICLE ONE

### OFFICES

The principal office of Generic Church, Inc., hereinafter referred to as the Corporation, shall be located at the address set forth in the Articles of Incorporation. The Corporation may have such other offices, either within or without the State of Incorporation, as the Board of Trustees may determine.

## ARTICLE TWO

### MEMBERSHIP

**Membership shall be granted to those who:**

- A) sense a call to Generic Church.
- B) strive to live a life of purity and holy conduct as prescribed by the Bible.
- C) contribute financially to the Corporation (Church).

Membership is granted and recognized with voting powers once a person has been in the church long enough to receive an annual contributions statement. A contributions statement is the certificate of membership. Member's voting rights are described in Article 9, relating to nominations for the Board of Elders and Article 5, relating to the selection of a new Senior Pastor. Members shall have no other voting rights.

**Membership will be terminated when:**

- A) a member's conduct and lifestyle is violating Biblical standards and he/she refuses correction.
- B) a member leaves the church as a result of relocation or other reason.
- C) a member requests to be removed.
- D) a year passes without any record of contribution.

## ARTICLE THREE

### STATEMENT OF FAITH

(Add the Creeds of the Church Here)

*(Recommendation Note: I encourage pastors to keep their statement of faith to the absolute basics. A lot of pastors try to turn this section of their bylaws into a systematic theology of their personal pet doctrines. But, I believe that this mentality can have a negative effect on your*

church. Thus, I personally kept our statement of faith down to the absolute basics (such as Jesus is the Son of God, there is no other name under heaven by which men can be saved, the Bible is the Word of God, etc.) Certainly, I have many other opinions and interpretations within scripture. But I avoided putting them in our statement of faith for numerous reasons:

1). I want there to be a theological diversity in our church on certain issues. This tension actually causes our church to learn scriptures more. Thus, we don't try to create "unity" based on "uniformity"; rather, our unity is based on love – which is a far superior tool for creating long-term unity (1 Cor. 13).

2). By keeping our statement generic, it causes us to value other church movements within our city. We are subtly saying that "we are not the only church that belongs to God in our city." After all, if we truly love God, we will love and serve the churches that He loves and serves. However, by including all of our secondary doctrines in our statement, we are subtly saying that we are theological superior to churches who don't believe the same way we do. It says that we have our entire identity based in theological things outside the basics of Christ. God had stern words for Peter when his Jewish theological roots started creeping into his faith (see the transfiguration for details - Matthew 17). And it's only a matter of time before our members start saying, "Well that church isn't a real church because... they don't believe in a pre-trib rapture... or they don't agree with John Calvin..." (Or, in the Apostle Peter's case... "they don't listen to Moses and Elijah" (Mt.17:4-5). So, we prefer to define ourselves by what makes us similar to most orthodox churches.

3). By keeping to the basics, we keep an open door to influence people more. For example, most churches "overly define" their statement of faith out of a "fear of compromising". Thus, the statement of faith is like a wall around the city that "protects people" from any potential false doctrines. However, like in building any wall, that same wall will also inhibit your ability to influence people outside the wall. For example, I believe in unknown tongues. I don't require my leaders to agree with me – even though I wish that every one of them would. But, if I obligatorily forced all members to agree with me (through our statement of faith), I would be subtly alienating myself from the ability to influence them. If I defined our organization by my passionate pet-interpretations, many of these same people would refuse to even step foot in this church. So, I take a different approach. I purposefully make this church a safe place to disagree on tongues. Then, when everyone is disarmed, I academically reason with them from scripture. The atmosphere is laid back. The sense of love is always high. And, in the end, I probably influence more people simply because I was laid back. Consequently, by using this same approach, I myself have been spared from many of my own dangerous interpretations. Thus, as John Knox once said, "You can't influence and antagonize people at the same time." And that's what a lot of people do through their statements of faith. So keep this in mind as you design it: "Unity is what is essential. Celebrate freedom and Liberty in non-essentials. And in all things: Love.")

## ARTICLE FOUR

### GOVERNMENT

Substance Church is governed by its Congregation, the Trustees of the Corporation, the office of the Senior Pastor, and the Overseers. The Congregation determines the spiritual tone, strength and direction of the church by wisely selecting the Senior pastor (Article 5). The Trustees are to serve the church by setting policy in the management of the church Corporation and making the major financial decisions for the church (Article 6). The Senior Pastor's office is responsible to oversee the day-to-day ministry of the church (Article 7), and the Board of Overseers are to

protect the church through counsel and prayer, and, if required, the discipline of the Senior Pastor (Article 8).

## **ARTICLE FIVE**

### **CONGREGATION**

#### **Section 1: General Authority to Select a New Senior Pastor**

In the event that a new Senior Pastor is needed by the church, two methods are provided for the Congregational selection of a new Senior Pastor. One method involves the participation of the departing Pastor and the other does not. The founding Pastor of the church does not need to be officially confirmed by the Congregation which is added to him; therefore, he is exempted from Article 5.

#### **Section 2: Congregational Process with the Participation of the Departing Pastor.**

##### **(Para. 1) Departing Pastor Participates in Replacement**

If the senior Pastor is in good standing with the church and is removing himself because of retirement or relocation, the following is the selection process:

##### **(Para. 2) Congregational Vote**

The Senior Pastor may choose up to two candidates. The first candidate is to speak in three or more of the primary services of the church. Then the Senior Pastor is to formally recommend this candidate in a Monday night meeting of the membership. For any meeting of the membership for pastoral selection, members are to bring their contribution records from the previous year and display them at the door to verify membership. At that meeting, the departing Senior pastor and the candidate are to leave. Then the Secretary / Treasurer is to conduct a secret ballot vote, and, with a minimum two-thirds (2/3) vote of those members present, the candidate shall be accepted. If that ballot fails, the second candidate which the Senior pastor has chosen is afforded the same opportunity as the first. If that ballot fails, the process outlines in Section 3 shall be followed.

#### **Section 3. Congregational Process Without Departing pastor's Participation.**

##### **(Para. 1) Departing Pastor Unavailable**

If the Senior Pastor is removed by the Overseers, is deceased, cannot or will not participate in the selection process of the new Senior Pastor for any reason, the following shall be the process for selecting a new Senior Pastor:

##### **(Para. 2) Meeting of the Membership**

The Secretary / Treasurer or another person appointed by the Board of trustees is to immediately call a meeting of the membership by making an announcement during the primary weekend church service. The meeting is to be held in the church building eight days following the primary service in the Evening. At the meeting of the membership, a Pastoral Selection Committee of nine people will be elected by the membership, to include three men and three women from the general membership and the three most senior full-time pastoral staff members. If there are not three full-time pastoral staff members, the membership may elect for those positions trustworthy people who are familiar with the day-to-day work of the church. The committee itself is to vote and select a chairperson and co-chairperson. The Congregation may elect additional staff members to the Pastoral Selection Committee to fill slots designated for the general membership if it chooses.

##### **(Para. 3) Formation of Pastoral Selection Committee**

It is the duty of the Pastoral Selection Committee to provide an interim Pastor or

speaker(s) to conduct church services. However, neither an interim Pastor nor any guest speaker shall have the corporate powers of the President.

**(Para. 4) Congregational Vote**

The committee is to recommend a new Senior Pastor as soon as an acceptable candidate is available. That person must be a licensed or ordained minister of the gospel, and they must be approved by a majority of the Board of Overseers before being presented to the church. Once the committee recommends a Senior Pastor candidate, that person may speak to the church in every service for three weeks, after which time a meeting of the membership shall be publicly called on a Monday night, chaired by the Secretary / Treasurer or by a member of the Board of Trustees selected by that Board. At that meeting church members shall vote by secret ballot either to accept or to reject the pastoral candidate. Trustees and their wives are to count the ballots. A minimum two-thirds (2/3) vote of those attending the meeting is required to elect the next Senior Pastor. If there is not a two-thirds (2/3) majority in favor of the candidate, the Pastoral Selection Committee shall seek another candidate.

**(Para. 5) Staff Administration During Transition**

During the selection process, members of the church staff are to continue in their positions. It is recommended but not mandatory that staff members make themselves available for resignation any time within a two-year window of the senior pastor's placement. Should staff or financial problems arise, the Secretary/Treasurer has authority to alter the roles of staff members, including dismissal if necessary in their own judgment. Once the new Senior Pastor is in place, he has full authority to select his own staff, replacing existing staff members, if he should choose, according to the severance agreements (Art. 7, Sec. 2, Par. 5).

## ARTICLE SIX

### TRUSTEES OF THE CORPORATION

#### Section 1. General Powers

The major financial affairs of the Corporation shall be managed by the Board of Trustees, hereinafter referred to as the Trustees. The Trustees shall have a fiduciary obligation to the Corporation according to Sections 2 and 3 of this Article.

#### Section 2. Functions

**(Para. 1) Provide Facilities**

The Trustees vote in accordance with these Bylaws in order to conduct the major business decisions of the Corporation. The trustees oversee the provision of the physical facilities needed by the church body. They also coordinate any construction projects which require a loan.

**(Para. 2) Exclusive Authority**

The Trustees are the only body within the Corporation or church body with the authority (1) to buy and sell real estate, (2) to borrow money or (3) to secure real estate leases.

**(Para. 3) Counsel**

The Trustees are to provide counsel to the Senior Pastor regarding the major financial affairs of the church.

**(Para. 4) Staff Loans**

Any employee of the church requesting financial assistance from the church in the form of a loan must first get permission from the Senior Pastor to apply for the loan. The Trustees shall then review the application. All terms and conditions of the loan must be

approved by a majority (four or more) of the Trustees. No loans shall be made to any Officer or Trustee of the Corporation.

**(Para. 5) Setting Senior Pastor's Salary**

The Board of Trustees is to set the base salary and complete compensation package for the Senior Pastor. Thereafter all increases will be based upon either, an annual COLA adjustment which will be determined by the current inflationary indicator listed by the federal government or, the financial growth percentage listed in the annual financial report of the previous year. The increase is not to exceed 10% increase per year. The Trustees also have the right to increase the Pastors salary and compensation package as often as it deems necessary to reflect new Pastoral/President income levels, financial trends, and information from the church finance office.

**Section 3. Financial Guidelines**

**(Para. 1). Monies Available to Trustees**

In order to provide for the *physical needs of the church*, the Trustees have available to them 100 percent of all unrestricted monies accumulated in any type of savings accounts (including stocks, bonds, cds, mutual funds, etc.) and all assets in land and property. In addition, the Trustees may direct any expenditures up to 35 percent of the unrestricted income of the church from tithes, offerings, interest and investments. Current undesignated income is to be determined by the undesignated income of the previous year. From 35 percent of church income at the Trustees' disposal, payment must be made on all debts and real estate leases of the Corporation. (See Article 7, Section 2, Para. 8 for increased clarification)

*(Recommendation Note: It's important to clearly define exactly what the trustees are responsible for. In Article 7, Section 2, Para. 8, the bylaws clarify that the senior pastor controls 65% of the budget which means he can reflect his values in that portion of the budget. Thus, when paragraph one above mentions that the trustees have 100% of all unrestricted monies available it's essentially saying that, they have ultimate legal access to it (so in emergencies, or if the president dies, etc.) – not that they have the freedom and authority to determine the budget for it whenever they choose. The trustees are free to budget their 35%. And they can certainly speak to the pastor's 65%; but, this designation breakdown is done to prevent endless debates over highly subjective discussions).*

**(Para. 2) Debt Restrictions**

Before the Trustees may authorize the church to borrow money or incur a lease obligation, the following conditions must first be met:

**1. Minimum 25 percent down.**

Should the Trustees choose to borrow money to facilitate the growth and / or work of the church, it must first accumulate 25 percent of the total price of the project for a down payment. This amount may be deemed accumulated based upon (1) the proceeds of amounts previously expended on the project, or (2) amounts previously expended as "principle reduction payments" above minimum required payments on pre-existing loans during the 24 months prior to incurring additional debt. The Trustees reserve the right to adjust the percentages outlines in this document on a per-project basis. A unanimous decision between trustees and president is needed to make these adjustments.

**2. Maximum 35 percent payment ceiling**

The combined totals of all monthly debt service and real estate lease payments, following the incurring of the indebtedness or lease obligation under consideration, will not exceed 35 percent of the average monthly total income. The percentage shall be based on, but

not limited to, tithes, offerings, investment income and unrestricted gifts of the church. The Trustees reserve the right to adjust the percentages outlines in this document on a per-project basis. A unanimous decision between trustees and president is needed to make these adjustments.

**3. *Lease to purchase allowance.***

If indebtedness is being secured to build a structure that will relieve the church of its need for a leased facility that will be vacated when the new building is completed, then the current lease commitment need not be calculated into the 35 percent expenditure limitation for 18 months. Thus, the church is allowed 18 months for both construction and lease payments that, combined, exceed the 35 percent limit, only if there is compelling assurance that by the end of the 18 month period it is reasonable to expect relief from the burden of the lease payment.

**4. *Income projections.***

The church may not set budgets, meet conditions for borrowing or make any financial commitments based on upward projections of income. If the amount to be borrowed does not exceed \$250,000, then the average monthly total income, which shall include tithes and un-designated offerings of the church shall be determined with reference to the three calendar months immediately preceding the month in which the borrowing resolution is adopted. If the amount to be borrowed is greater than \$250,000, a review of the previous fiscal year shall be conducted and the average monthly total income, which shall include tithes and offerings, shall be determined with reference to the fiscal year immediately preceding the year in which the borrowing resolution is adopted.

**5. *Church plant exception.***

If the church has less than 12 months' financial history and wishes to borrow less than \$250,000, that a decision may be based on the most current three months of financial history provided by the church Treasurer. Even in this situation, the 25 percent down and 35 percent debt service ceilings must be met.

**(Para. 3) Conflict of Interest**

In order to avoid any conflict of interest, all of the following criteria must be met for any business transaction to be made between a Trustee and the Corporation:

1. The Trustee with whom the transaction is being considered is excluded from any discussions for approving the transaction.
2. The Trustees consider competitive bids or comparable valuations.
3. The Trustees act upon and demonstrate that the transaction is in the best interest of the Corporation.
4. The transaction must be fully disclosed in the end-of-year financial statements of the Corporation.

## **Section 4. Appointment, Number, Term and Qualifications.**

**(Para. 1) Number and Selection**

The Trustees shall consist of between five and seven voting members, who are appointed by the Senior Pastor and approved by the Board of Elders. Trustees may not be employees or staff members of the corporation. All pastoral appointments to the Board of Trustees must be approved by the Board of Elders (article 9). The term of office for each Trustee shall be three years (in accordance with the laws of our state) or until such Trustee resigns from office or from membership in the church, dies or is removed. All Trustees must be selected from the membership of the church. If the church is less than 2 years old, trustees may be selected from outside of the church. After the first two years of the church, these trustees must be replaced with local membership according to the

criteria defined in Para. 2.

*(Recommendation Note: Many churches rotate 1/3rd of their boards each year. This way, you're always mixing the "freshmen trustees", with those who are more experienced in corporate management, parliamentary procedures, etc.)*

**(Para. 2) Removal of Trustees**

The Pastor may dismiss Trustees without cause, but at a rate that does not exceed one dismissal every six months. The Elders are not required to approve pastoral dismissals of Trustees. In the event that the office of pastor is vacant, the Secretary / Treasurer may appoint or dismiss Trustees subject to the same limitations that apply to appointments and dismissals by the Senior Pastor in accordance with this paragraph and Article 6, Section 4, Para. 1.

*(Recommendation Note: The purpose for this is so that – if you have a power-seeking trustee that refuses to get in sync with the president, the president has the ability to remove this person so that this trustee can't sabotage the entire leadership dynamic through feet-dragging, filibusters, and other manipulative forms of politics. On the other hand, the president is limited in terms of how many trustees he can remove. If the president is wanting to make a foolish business move, and the trustees take a stand against him, he does not have the ability to simply fire his board and enlist a team of "yes-men". However, by simply having a trustee board rotation, you will probably avoid any and all of these problems.)*

**(Para. 3) Exclusive Roles as Staff or Trustees**

Because the Trustees are responsible for the major financial decisions of the church, they must resign their position on the Board if they ever become a staff member, an elder, or take any other paid position within the church. Volunteer work within the church is encouraged, but paid positions may constitute a conflict of interest. Aside from the Senior Pastor, no other staff member should attend a trustee meeting unless expressly invited by the Senior Pastor.

*(Recommendation Note: The reason why the bylaws limit the number of staff members who can attend meetings is important. Senior Pastors need to have the ability to use the trustees as a troubleshooting team for staff problems in a confidential atmosphere. There are many complex internal staff and programming decisions (say for example, cancelling a program and hence a staff position). Internal staff politics can be complex enough; so, the pastor needs the protection of the trustees to help him make complex or controversial decisions. However, if a problematic staff member has the right to attend any meeting he wants, it decreases the senior pastor's ability to be open and honest about his concerns for the church organization. Plus, if you allow one staff member to come, you set the precedent to allow any staff member to come. And, there are usually two consequences to this. 1). You end up with a massive group of non-voting board members at each meeting (remember the Subjectivity Size Principle). And 2ndly, your trustees may grow comfortable going to your staff for information rather than you – which may seem fine at first; but, if the I.R.S. showed up at your door, would you want your teen-age kid to be answering their questions? Probably not. So, like in any healthy relationship, it's smart to keep an established avenue for communication – to keep politics and false assumptions from muddying your team dynamic).*

## **Section 5. Meetings**

**(Para. 1) Frequency of Meetings**

A meeting of the Trustees shall be held at least twice a year. The Senior pastor, or any Trustee, may call a meeting at any time, under the condition that a majority (*more than 50%*) of the Trustees attend the meeting. (See Article Seven, Section 2, Para 2 for elaboration).

**(Para. 2) Leadership of Meetings**

If at all possible, the Pastor is to attend and lead each Trustees meeting. If not possible, the Secretary / Treasurer shall lead the meeting. If neither the Pastor nor the Secretary / Treasurer is able to lead the meeting, the Trustees must choose a leader for that meeting and proceed in order, with the appointed leader keeping minutes for the record. Any motions passed and recorded in a meeting without the Pastor or the Secretary / Treasurer may not take effect until the following meeting with either the Pastor or the Secretary / Treasurer present when the minutes of the previous meeting are approved.

**(Para. 3) Location of Meetings**

Any meeting of the trustees may be held at such place or places as shall from time to time be determined by the Trustees or fixed by the Senior Pastor and designated in the notice of the meeting.

**(Para. 4) Written Notice of Meetings**

Whenever, under the provision of a statute or the Articles of incorporation or these bylaws, a written notice is required to be given to any Trustee: (1) such notice may be given in writing by fax or by mail at such fax number or address as appears on the books fo the Corporation and such notice shall be deemed to be given at the time the notice is faxed or mailed; (2) the person entitled to waiver either before, at or after the time of the meeting; and (3) the appearance of such person or persons at the meeting shall be equivalent to signing a written waiver of notice.

**(Para. 5) Regular Meetings**

The Trustees may establish regular meetings. No notice shall be required for any regular meeting.

**(Para. 6) Trustee Action Without Meeting**

Any action which may be taken at a meeting of the Trustees may be taken without a meeting if a consent in writing setting forth the action taken is signed by all the Trustees and such action shall be effective as of the date specified in the written consent.

**(Para. 7) Teleconferencing**

At any meeting of the Trustees, any person may participate in the meeting by telephone provided all members of the Trustees present at the meeting or by telephone can hear and speak to each other. Participation by the telephone shall be equivalent to attending the meeting in person.

**(Para. 8) Quorum**

A majority (*over* but not at 50%) of the Trustees shall constitute a quorum for the transaction of business at any meeting. The act of a majority of the Trustees shall be the act of the Board of Trustees. In the absence of a quorum at any meeting, a meeting of the Trustees present may adjourn the meeting without further notice until a quorum shall be established.

## **ARTICLE SEVEN**

### **SENIOR PASTOR OF THE CHURCH / PRESIDENT OF THE CORPORATION**

#### **Section 1. The Office of the Senior Pastor**

**(Para. 1) Dual Role of the Senior Pastor**

Because *Generic Church* has two complimentary branches, the spiritual body of believers and the legal Corporation, it is the Senior Pastor who administratively bridges the gap between the two branches. Even though the dual roles are sometimes awkward, because

the Senior Pastor is primarily responsible for the spiritual life of the church, the Pastor must be in a position corporately to ensure that financial strength is directed toward the ministries of his choice.

**(Para. 2) Responsibilities of the Senior Pastor**

It is the Pastor's responsibility to:

- ❖ Provide Biblical vision and direction for the congregation
- ❖ Define and communicate the church's purpose,
- ❖ Oversee and coordinate the day-to-day ministry of the Congregation
- ❖ Oversee and coordinate the day-to-day administration of the church,
- ❖ Appoint a Board of Overseers pursuant to Article 8,
- ❖ Recognize and enlist apostolic, prophetic, evangelistic, pastoral and teaching ministries, along with that of Elders, Deacons, and additional staff members as he deems Biblical and necessary. This is for the healthy and balanced spiritual ministry to the body of believers.
- ❖ Select Trustees pursuant to Article 6 who will help oversee the business of the Corporation,
- ❖ Staff the church as he deems necessary to help administrate the affairs of the Corporation,
- ❖ Veto any nominations to the Board of Elders pursuant to Article 9

**(Para. 3) The Pastor's Spiritual Leadership**

In his role as Senior Pastor, he may work with Overseers, Elders, Deacons or anyone serving in any fivefold ministry offices as outlined in Ephesians 4:11-13 in any way that he determines is biblical. In addition, he may budget monies, hire staff, develop projects or ministry, and create cell groups or other specialized ministries according to his convictions and biblical understanding. He shall have the authority to appoint and approve any assistants that are necessary to properly carry on the work of the church.

**(Para. 4) The Pastor's Responsibility for Services**

Times, order of services and the leadership of services are to be determined by him or by the spiritual church structure that he establishes. No person shall be invited to speak, teach or minister at a service held in church owned facilities, or in the name of the church, without the approval of the Pastor or the appropriate member of the established church ministry team.

## **Section 2. The Office of the President**

**(Para. 1) The President**

The Corporation finds its headship under the Lord Jesus Christ and in its President. The Senior Pastor shall serve as the President and Chief Executive Officer of the Corporation. If possible, he shall preside at all meetings of the Board of Trustees and shall see that all orders and resolutions of the Board are put into effect. He shall execute in the name of the Corporation all deeds, bonds, mortgages, contracts and other documents authorized by the Board of Trustees. He shall be an ex-officio member of all standing committees, and shall have the general powers and duties of supervision and management usually vested in the office of the President of a Corporation.

**(Para. 2) The President's Role with Trustees**

The President is the non-voting chairman of the Board of Trustees. The only time the President has the authority to vote is in the event that a tie would occur or, when voting on the statement of faith along with the elders (according to Article 14). He calls meetings and determines the agenda in consultation with the Trustees. The President

shall make selections to the Board of Trustees from the church membership at a rate in accordance with Article 6. The President may also dismiss Trustees, but at a rate that does not exceed one dismissal every six months in accordance with Article 6, Section 4, Paragraph 2.

**(Para. 3) The President's Role in Administration**

The President is the senior administrator of the church. He is ultimately responsible for all day-to day administrative decisions of the church.

**(Para. 4) The President's Role with Staff**

The President hires directs and dismisses staff. As the Senior pastor, his call is confirmed to the church through the Congregation, and those hired through him are to assist him in fulfilling this calling.

**(Para. 5) The President's Role in Establishing Salaries**

The President determines all salaries (except his own) and writes pay scales for full-time salaried employees. Any scales shall be explained to new full-time salaried employees and, should they ever be changed, they will be given in writing to the affected employees. If there is a severance pay agreement, that too must be given to the employee in writing. In addition, all part-time salaries and hourly wages are variable and are to be determined between the President and the employee.

**(Para. 8) Budget**

After the church is one year old, an annual budget must be prepared. The budget is to be based on 90 percent of the previous year's un-designated income. The President is to write the budget for 65 percent of the 90 percent in order to finance the basic ministry needs of the church (salaries, taxes, bills, missions, benevolence, department financial allocations, etc.) He is free to reflect his values and wisdom in his budget portion. Then, the President is to work with the Trustees to add their 35 percent to the budget. Their portion is for the purpose of guaranteeing that the basic needs of the facility are met.

*(Recommendation Note: The reason the budget is based on 90% of the previous year is so that there is cushion built into the budget of the upcoming year. Church incomes can decrease as well as increase. And nothing kills a churches' morale and momentum more than having to fire staff and eliminate well loved programs. So, we need to be careful about budgeting on projected growth. As a rule, I tend to staff "behind the growth" rather than "for the growth". The build it and they will come idea is both foolish and ludicrous. In fact, our church had over 1000 members and six full-time staffers before we even had offices! And, of course, I'm not saying our path was the smart path; however, I've seen far more ship-wrecks resulting from eating up margin (under the guise of "faith") than I have seen when pastors conserve margin. Thus, the above rule is a pretty foundational safeguard.)*

**(Para. 9) Expenditures**

Budgeted amounts are not to be considered actual monies available. Nothing can be spent by the President except actual funds that are available, and those monies are to be spent according to the budget. The President may not borrow money, sign leases, buy or sell real estate or make any agreements that could force indebtedness upon the church. Should the church borrow, the Trustees may give the President authority to spend those monies on the project for which the funds were borrowed. All un-designated monies that are available to the Corporation *above budgeted amounts* are deemed discretionary and are available to be spent by the President, but he may only obligate funds currently on hand.

## ARTICLE EIGHT

## OVERSEERS

### **(Para. 1) Generic Church Requirements to be an Overseer**

The members of the Board of Overseers must be active Senior Pastors of respected Congregations who know and love *Generic Church* and its Senior pastor or be ministers known for apostolic wisdom and authority. They must agree to make themselves available at their own expense to serve *Generic Church* if requested by the Elders (Article 13, Section 2), and must be willing to provide spiritual protection to the church through prayer and by living an honorable Christian lifestyle.

### **(Para. 2) Biblical Qualifications for Overseers**

“Now the overseer must be above reproach, the husband of but one wife, temperate, self-controlled, respectable, hospitable, able to teach, not given to drunkenness, not violent but gentle, not quarrelsome, not a lover of money. He must manage his own family well and see that his children obey him with proper respect. (If anyone does not know how to manage his own family, how can he take care of God’s church?) He must not be a recent convert, or he may become conceited and fall under the same judgment as the devil. He must also have a good reputation with outsiders, so that he will not fall into disgrace and into the devil’s trap” (2 Timothy 3:2-7).

### **(Para. 3) Selection and Function of Overseers**

A Board of Overseers will be nominated by the Pastor and confirmed by the Elders. The Pastor will be accountable to the Overseers in the event of alleged misconduct in compliance with Article 13.

### **(Para. 4) Installing new Overseers**

Each year the Senior Pastor and the Elders may replace one of the Overseers and enter that change into the minutes of a trustees meeting. If disciplinary action is being considered, changes in the Board of Overseers may not be made until its work is completed.

The Current Overseers for Great Commission Church Inc are:

(Insert Names, Churches, and contact info)

*(Recommendation Note: Some churches have a lot more detail about the exact authority that an overseer can execute. When calling in overseers, it helps for the elders to make a clear statement about what they desire the overseers to rule on. Some churches require that all overseers preach at least once every two years. This also keeps a relationship between a church and its overseers which is critical in times of crisis.)*

## ARTICLE NINE

### ELDERS

#### **(Para. 1) Spiritual Role**

The Board of Elders are to covenant together with the Congregation and the Senior Pastor for the development of the spiritual life of the church. These men and their spouses are to be the primary protectors and encouragers of a positive spiritual climate within the church body. They are neither a governing nor a corporate Board, but a spiritual Board called to create and maintain stability in potentially negative situations.

#### **(Para. 2) Definition**

The Elders are men who function within the local church but are not members of the pastoral staff of the church. They are men who meet the biblical qualifications for eldership and function in that calling, but derive their income from sources other than the church. The number of Elders shall be determined by the senior pastor.

#### **(Para. 3) Functions**

The functions of the Elders are:

1. Maintain and teach by living a godly, Christian lifestyle.
2. Provide a prayer shield for the pastoral team and the local church.
3. Defend, protect and support the integrity of the pastoral team and the local church.
4. Pray for the sick.
5. Organize, implement and execute licensing and ordination requirements and procedures.
6. Mediate disputes among the brethren.
7. Counsel.
8. Confirm or reject pastoral appointments to the Board of Trustees and the Board of Overseers.
9. Contact the Board of Overseers to initiate investigation and potential discipline of the senior pastor.
10. To modify the statement of faith.

**(Para. 4) Biblical Qualifications for Eldership**

“An Elder must be blameless, the husband of but one wife, a man whose children believe and are not open to the charge of being wild and disobedient. Since an overseer is entrusted with God’s work, he must be blameless - not overbearing, not quick-tempered, not given to drunkenness, not violent, not pursuing dishonest gain. Rather he must be hospitable, one who loves what is good, who is self-controlled, upright, holy and disciplined. He must hold firmly to the trustworthy message as it has been taught, so that he can encourage others by sound doctrine and refute those who oppose it.” Titus 1:6-9

**(Para. 5) Nomination and Appointment to the Board of Elders**

Selection of the elders will be preceded by the senior pastor teaching on the biblical requirements for eldership at a Sunday service. Anonymous nominations for the position of Elder will be made in writing immediately after the sermon on eldership by those present at the service. These nominations will be tallied by the pastor and his associates, and the elders will be selected from those with the largest number of nominations. The senior pastor can veto anyone’s nomination. This nomination process may occur as often as an Elder’s term expires or the senior pastor feels it is necessary for new elders to be added.

**(Para. 6) Four Year Service Terms**

Once selected to serve on the elder board, the elder and their spouse are to serve for a maximum of four years. After that time of service, the selection process is to be repeated. Anyone re-nominated and appointed may serve as many times as the Congregation and pastor choose. However, should the congregation fail to re-nominate any certain elder, the pastor may not select him for service.

**(Para. 7) Removal of an Elder**

Should anyone in the congregation, including a staff member or another elder, bring accusation against an elder, charging that he does not qualify for eldership, a seven-member group from the staff and the elder board may hear the accusations and any response from the accused elder. Three are to be chosen by the accused elder, and four are to be chosen by the senior pastor. The senior pastor may not serve on the panel judging the elder, but may oversee the procedures if he chooses. Then, in an anonymous vote, if five or more agree that the elder does not meet the qualifications of eldership, that elder may not longer serve on the elder board.

**(Para. 8) Replacement of Elders**

During the four years of service, those elders who are no longer able to serve for any reason need not be replaced.

**(Para. 9) Statement of Faith**

Two-thirds of the serving elders and the senior pastor may amend, modify, add to or delete any portion of Article 3, the statement of faith, in the same process described in article 14.

# ARTICLE TEN

## OFFICERS

### Section 1. Officers

The officers of the corporation shall be a president and a secretary / treasurer and any other officers that the Trustees may authorize from time to time.

### Section 2. Appointment, Election and Term of Office.

#### (Para. 1) Appointment of the president

The appointment and responsibilities of the president are listed in Articles 5 and 7 above.

#### (Para. 2) Appointment of Secretary / Treasurer

The Secretary / Treasurer is to be nominated by the president and approved by the Trustees. The term of this office is indefinite. Should the Trustees fail to approve of the nomination of the president, other nominations must be made until a suitable candidate to the Trustees is nominated. The secretary / treasurer may be removed by the President.

#### (Para. 3) New Offices

New offices may be created and filled at any meeting of the Board of Trustees. Each officer shall hold office until his successor has been duly elected and qualified.

### Section 3. Removal of Officers

#### (Para. 1) Overseers' Responsibility for the President

The overseers of the church may discipline or remove the president according to Article 13.

#### (Para. 2) Trustees Responsibility for All Other Officers

Any officer elected or appointed by the Board of Trustees may be removed by the Board whenever in its judgment the best interests of the Corporation would be served thereby; but, such removal shall be without prejudice to the contract rights, if any, of the officer so removed.

### Section 4. Powers of Officers

#### (Para. 1) The President

The powers of the president are listed in Article 7 above.

#### (Para. 2) The secretary / treasurer

The secretary / treasurer should be a trustee as well as an officer of the corporation. As Secretary, the Secretary / Treasurer shall act as clerk and record (or have recorded) all votes and the minutes of all proceedings in a book to be kept for that purpose. He shall oversee the keeping of the membership rolls of the corporations, and in general perform the duties usually incident to the office of secretary. He shall also oversee such further duties as shall be prescribed from time to time by the board of Trustees or by the President.

#### (Para. 3) The Secretary / Treasurer's role over Accounting

As Treasurer, the secretary / treasurer shall oversee the keeping of full and accurate accounts of the receipts and disbursements in books belonging to the Corporation, and shall oversee the deposit of all monies and other valuable effects in the name and to the credit of the corporation in such banks and depositories as may be designated by the president. He does not determine expenditures, but he shall oversee the disbursement of the funds of the corporation as may be ordered by the trustees or the president. He shall perform the duties usually incident to the office of Treasurer and such other duties as may be prescribed from time to time by the board of trustees or by the president.

#### (Para. 4) Audited Financial Statements

The Secretary / Treasurer shall serve on the Audit Review Committee and report to the Trustees after its review of the annual audit. If the church does not have any annual audit, the secretary / treasurer is to provide to the Board a report on the previous year's income and disbursements.

**(Para. 5) Cash Flow Statements**

The Secretary / Treasurer is to work with the president to provide an annual cash flow statement that must accompany all giving receipts to members. Benefits, support staff salaries, pastoral pay packages, and other items may be grouped together, but the cash portion of the pastoral pay packages must be itemized individually.

**(Para. 6) Public Availability of Annual Financial Statements**

The Secretary / Treasurer shall insure that current financial statements are available to anyone upon written request and the previous year's cash flow statements are available to all contributors to the church.

**Section 5. Trustees' Selection of Additional Officers.**

In case of the absence of any officer of the corporation except the president, or for any other reason that may seem necessary to the Board, the Board of Trustees, by a majority vote, may delegate the duties and powers of that officer for the time being to any other officer, or to any Trustee.

**ARTICLE ELEVEN**  
**BUSINESS PRACTICES**

**Section 1. Fiscal Year**

The fiscal year of the Corporation shall be August 1<sup>st</sup> to July 31<sup>st</sup>.

**Section 2. Contracts.**

The board of trustees may authorize any officer or officers, agent or agents of the corporation, in addition to the officers so authorized by these bylaws, to enter into any contract or execute and deliver any instrument in the name of an on behalf of the corporation. Such authority may be general or may be confined to specific instances.

**Section 3. Checks, Drafts, or Orders**

All checks, drafts, orders for the payment of money, notes or other evidences of indebtedness issued in the name of the corporation shall be signed by such officer or officers, agents or agents of the corporation, and in such manner, as shall from time to time be determined by resolution of the Board of Trustees. In the absence of such determination by the Board of Trustees, such instruments may be signed by either the secretary / treasurer or the president of the corporation in accordance with their duties outlined in these bylaws.

**Section 4. Deposits**

All funds of the Corporation shall be deposited to the credit of the corporation in such banks, trust companies or other depositories as the board of Trustees may select in accordance with these Bylaws.

**Section 5. Gifts**

The President / Senior Pastor may accept on behalf of the corporation any contribution, gift, bequest or device for any purpose of the corporation.

## **Section 6: Books and Records**

The Corporation shall keep correct and complete books and records and shall also keep minutes of the proceedings of its members, Board of Trustees, committees having and exercising any of the authority of the Board of Trustees, and any other committee, and shall keep at the principal office a record giving the names and addresses of all Board members entitled to vote. Books and records of the corporation may be inspected by any member for any proper purpose at any reasonable time as approved by a majority of the Trustees on a case-by-case basis.

# **ARTICLE TWELVE**

## **CHURCH MINISTRY**

### **Section 1. Minister Ordination and Licensing.**

#### **(Para. 1) Role of the Board of Elders**

The Senior Pastor along with the Elders may ordain or license a person as a minister of the gospel after first examining the applicant's background, his moral and religious character, and previous Bible courses and / or independent study he has completed. Final determination shall be within the absolute discretion of the Board of Elders. This shall be determined by majority vote. If necessary, the tie-breaking vote will go to the Senior Pastor.

#### **(Para. 2) Application Through Elders Board**

Application for ordination and / or licensing as a minister of the gospel shall be on the form provided by the Elders. An application shall be either approved or denied within 30 days of the completion of the investigation of the applicant by the Board of Elders. Those applicants who are approved shall receive a certificate evidencing the approval.

#### **(Para. 3) Ability to Limit Ministry Validation**

The spiritual leadership of the church may at its own discretion limit any licensee or ordained minister to an area of special emphasis.

### **Section 2: Ministry Training**

The senior pastor and his staff may establish a school of ministry, setting forth a prescribed curriculum and course of study leading to ordination and licensing of ministers. The School of Ministry shall prepare students in the knowledge of the Word of God and in ministering to people's needs through the gospel of Jesus Christ.

### **Section 3: Establishment of Parachurch Organizations**

The Senior pastor/President and a quorum of the Board of Trustees may accept or establish any other parachurch organization which promotes the Gospel and fulfills the current IRS requirements for parachurch organizations. They would provide a 501(c)(3) umbrella under the following guidelines:

- (a) Promoting the Gospel of Jesus Christ
- (b) Be submitted to the pastoral authority of Substance Church
- (c) Meet all current IRS regulations for parachurch organizations under a 501(c)(3) umbrella.
- (d) The Chief Executive Officer of the parachurch organization must be a member in good standing of Substance Church Inc.
- (e) The organization must have their own Federal ID number.
- (f) They must be aware of and adhere to the IRS guidelines for non-profit corporations.

# ARTICLE THIRTEEN

## CHURCH DISCIPLINE

### Section 1. Disciplining Church Members

Only members are subject to church discipline.

### Section 2. Disciplining the Pastor

#### (Para. 1) Criteria for Discipline

Should the Senior Pastor demonstrate immoral conduct, questionable financial practices or theological views that in the opinion of a majority of the elders may require either personal correction or termination of his position, the elders shall contact the senior pastor and then, if necessary, the overseers for investigation and evaluation of any appropriate discipline.

(See Article 9, para. 3)

#### (Para. 2) Process for Investigation

Should the overseers be asked to investigate alleged pastoral misconduct, a consensus of the majority of the Overseers is required to take disciplinary action. With such a consensus, the overseers shall assume complete authority over the senior pastor. They may decide to remove him from his position or to discipline him in any way they deem necessary. The overseers have no authority in Substance Church unless contacted by the elders, and then only insofar as permitted under these bylaws.

#### (Para. 3) Motivation

It is the intention of the corporation to protect the hearts of all involved in matters of pastoral discipline. With the method outlined above, the “sheep” never have to pass judgment upon their “shepherd”.

# ARTICLE FOURTEEN

## AMENDMENT OF BYLAWS

### Amendment of Bylaws

These bylaws may be altered, amended, or repealed, and new Bylaws may be adopted, only by the written approval of the Senior pastor/President in conjunction with 2/3rds vote (either 4/5, 4/6, or 5/7 depending on the number of trustees). This can be done at any regular meeting of the Board. The one exception to this is Article 3, the Statement of Faith. Only the Senior Pastor with two-thirds of the serving Elders may change the Statement of Faith. At least five days written advance notice of said meeting shall be given to each member of the Board. In the written notice, proposed changes must be explained.

Bylaws were approved by the Board of trustees of Great Commission Church Inc. on

\_\_\_\_\_.

[List Names with Signatures here]