

## **Leading in a Time of Financial Crisis**

In the face of what is being called 'economic meltdown', **what should the church be saying?**

I recently heard Gordon McDonald make the comment to a group of leaders that not many of us have lived through extremely tough times. He was reflecting on his experience as a young boy growing up during the Depression and it was a sobering message – definitely more Jeremiah 'gloom and doom' than Jeremiah, the prophet of hope. We are heading into a deep recession; the economic pundits tell us that the worse is yet to come, so **how do we prepare our people in the light of these developments?**

In considering this question, I have found using the following framework helpful – to cover **prophetic, pastoral and practical elements.**

### **Prophetic Voice**

It has been clear for many years that **the god of this nation, and of many nations, is Mammon.** (Luke 16:13 - You cannot serve both God and money). Man's greed and the security he has sought in financial gain have resulted in nations turning away from God. Trusting in the acquisition of property, shares, pensions, and in the dream that 'if I own more I will be happy' has created a 'more' monster in all of us. While I don't argue for asceticism (these items are not evil in themselves), love of them has led us astray.

In the last few months we have seen events in the financial news that have not been seen in recent history, comments from leading financial communicators describing once in a century events that our parents and grandparents worked hard to ensure that they would not see again. **Could it be that God is shaking the nations, who have placed their trust in money?** I believe so - in fact, through these times He could be answering our prayers to turn a nation to His ways. **We are now provided with a great opportunity to express our faith in a God who provides, whatever our circumstances.**

### **Pastoral Care**

The prophetic message is a very important message for our congregations to hear; however, **we need to communicate it with much grace.** As we prophesy concerning the potential collapse of capitalism as we have known it, we need to be aware of **the pastoral implications of such a crash.** I can imagine the situation in a church meeting where an excited prophetic type is praising God for bringing down the economy, while next to him stands a man who has just been made redundant for the 3rd time. As he is about to lose his house because he cannot afford the mortgage payments, he follows the first man with a prayer asking God, 'Please give me a job so I can feed my family'.

These days could be upon us sooner than we think and **we will need wisdom in leading our people to agree with the prophetic edge of all that is happening in the nation while standing with those who face the loss of earnings.**

Last night I spoke to a single mother who has two jobs to make ends meet, she has just lost one and will not be able to keep up her mortgage payments; this brought into sharp focus the pastoral implications of the days and months ahead.

### **Practical Teaching**

We have regularly taught the church here at Kings about **good stewardship**. I have taught the 80/10/10 principle for over a decade. **Live off 80% of your income, give 10% and save 10%. Avoid debt like the plague.** I am trusting that this teaching 'investment' will have placed many in the church in a good position. But as some will lose their income I intend to ask those in employment, and especially the rich, to give more. **The New Testament teaching of proportional giving may be even more relevant in the coming years.** On my next post I will look at the leadership challenge of setting a budget, one of the only times in leadership when we attempt to predict the future, and suffer bad consequences if we get wrong!

When I arrived at King's 13 years ago the church had been declining numerically for the previous decade and I knew that to get some growth momentum was going to be a challenge. I fell into a growth strategy which has served us well for the last decade, but the changing economic situation has made me reflect on some aspects of my underlying philosophy of ministry. With the change in world economic circumstances **we face a new leadership challenge for the church.**

Joseph knew how to lead in the time of plenty and how to prepare for the time of famine; his wise stewardship saved the known world from poverty. Seven years of prosperity was followed by seven years of famine. **We need the wisdom of Joseph at this time** to get us through what has been forecast to be some very lean years.

The growth strategy we developed at King's was to **staff ahead of the growth curve**. Over the years we were able to base our financial planning on past trends which developed into an ability to estimate with some confidence the finance growth trend in the future. Our experience showed us that **for each person sitting in the meeting the average giving would be around £1000 a year**. So, if we were growing at 100 people a year we knew we would have another £100k to spend in the next financial year - we staffed our church in the light of this information, **which further increased our capacity to serve the people of God well, while providing capacity to grow more.**

In the last year our Sunday attendance is up by over 150 people, which historically would probably mean we would be looking to increase our staff by at least 3 or 4 full time posts. However we have to adjust to the changing economic situation around us. Rather than reflecting a lack of faith on our part, **I prefer to apply faith and good stewardship alongside each other rather than seeing them in competition.** Faith is needed both in times of plenty and also in times of famine!

Rudolph Giuliani, the mayor of New York city book during the 9/11 bombings, makes a telling comment in his book, *Leadership*.

**'By its very nature, budgeting requires one to predict the future'.**

As I said, at King's it has been our pattern to budget on the basis of past trends and taken into account our numerical growth. In the last 3 months I have reflected on this practice at considerable length, and although it is difficult to let go of a growth strategy that has proved successful, and even to go against one of our known catch phrases, 'staff for growth or even over-staff for growth', **different times call for a different leadership strategy.**

The future has become so much less predictable that we have to adjust to the new economic reality. Therefore at Kings **we have changed to a more cautious financial planning position.** I summarize below.

Rather than staff on the strength of the current growth curve and past trends, we are operating on a new basis – '**See the giving increase first, and then employ the new staff.**' This could mean we staff 12 to 18 months later than we would have done historically.

Research has shown that **Christian giving holds up well in times of recession,** as Christians give out of income, not from borrowing. However, in a situation where up to 10% of a congregation could be made redundant, regular giving to the church may plateau or even decline.

In the face of all this, **I am no less confident than before that God will provide** - we know that we always have a responsibility to play our part in stewarding His resources well. If we do this **we can lead our churches through uncertain times and emerge all the stronger** at the point where we begin to see all the economic indicators moving upwards – however long that might take! And it is our intention to revert to our original strategy - 'staff for growth' - as soon as the economic climate improves!

Steve Tibbert  
King's Church, Catford  
January 2009

[www.kingscentre.org.uk](http://www.kingscentre.org.uk)