Serving at the Threshold

How the Texas Methodist Foundation helps fulfill the greater purpose of the church
SERVING AT THE THRESHOLD

This is a case study about one organization’s transformation. Or, rather, the way by which that organization has developed the capacity to transform itself, as well as the work of the congregations, pastors and denomination it serves.

Texas Methodist Foundation has accomplished this by nurturing a process that continuously evaluates its mission and convictions. TMF examines its programs in light of shifting circumstances in the church and in the world. TMF envisions changes and continuities in its core activities and launches strategic new efforts as a result of careful spiritual and practical discernment.

Many religious organizations aspire to this kind of transformation. But few actually master it.

In my roles as director of the Indianapolis Center for Congregations and as program officer at Lilly Endowment, it has been my privilege to be a close observer of the Texas Methodist Foundation for more than 15 years. During this time, I have witnessed, and occasionally participated in, TMF’s remarkable story.

After a meeting with TMF officials a couple of years ago to talk about these matters, my colleague, Craig Dykstra, and I discussed how TMF’s story might be more widely shared. We encouraged the staff of TMF and the Center – which had already collaborated on other projects – to work together on producing this kind of a case study. We all believed that the process of producing such a narrative might be a good exercise in evaluation both for the Center and TMF, and that the resulting narrative might also be useful to other organizations and their leaders.

I am delighted that TMF and the Center accepted the challenge. This story about TMF is worth telling, as well as studying. For Serving at the Threshold is more than the tale of one remarkable organization’s ability to negotiate change. It is a compelling story that I hope will inspire other organizations and their leaders to think about how they can, in the language of TMF, advance “God’s dream” for the church and the world by revitalizing their own institutions.

John Wimmer
Program Director, Religion
Lilly Endowment Inc.
SERVING AT THE THRESHOLD

Standing outside the church, she pauses at the doorstep thinking about what she has just observed. “Everyone was listening so closely,” she contemplates. The council had just met to decide whether to pursue a capital campaign for a new community building or delay that decision until after a strategic planning process.

Still standing at the threshold of the church, she realizes that each option has an upside and a downside. She is curious about the direction the congregation will choose. Before she moves off the step, she promises to think about the response to the pastor who spoke to her before she left the group. “Your listening has been supportive,” he said. “I wonder how else you might be helpful to us.” She looks back at the doorway, left slightly ajar. She steps back to the door and instinctively closes it. Now she is back down the stairs leaving the church property but carrying the congregation’s life very much with her.

John Wimmer of the Lilly Endowment suggested this study in order for others who serve congregations to learn the story of changes over the past 15 years at the Texas Methodist Foundation. After a series of discussions, the Texas Methodist Foundation (hereinafter referred to as TMF) and the Indianapolis Center for Congregations agreed that a team from the Center would prepare a case study.

An overarching question defined the case study:

How has the Texas Methodist Foundation moved from being a traditional denominational foundation serving the institution of the church to being a purposeful partner with its constituents serving the purpose of the church?

The case study writer uses the same framework a journalist uses — answering the who, what, how, when, where and why. For several months from the end of 2012 through early 2013, the team from the Center conducted one-hour to two-hour interviews with 17 representative leaders of TMF, TMF’s board of trustees, and organizations served by TMF. Almost all of the interviews were recorded and transcribed for analysis.

The audience is organizations serving congregations, judicatories or denominations in similar contexts that seek to strengthen their own work and fulfill their own mission. Though the subject of the study is a denominational foundation, we believe that lessons learned are applicable to many different organizations that serve congregations. Additionally, the audience for the case study is the studied, TMF, and the studier, Indianapolis Center for Congregations. TMF might gain feedback to better understand how it operates and apply that understanding to future endeavors. The Indianapolis Center for Congregations and the members of the study team already have learned and begun to apply the findings in the study.
WHAT WE STUDIED

The subject of the case study is change using as a point of departure the traditional denominational foundation. Denominational foundations usually serve congregations, judicatories, schools and other church-related organizations by providing some combination of investment management, loans and life-income gift administration for individual members and families. Some denominational foundations offer education or consultation for stewardship, planned giving, endowments, permanent funds and capital campaigns.

Change at TMF is the subject of the case study. However, many things have not changed at TMF. The organization did not have a wholesale change of staff or scramble its organization chart. They did not hire a vice president of change and innovation. They did not hold a transformation kickoff meeting. The services that have generated the largest revenue (lending to and investing for congregations) remain the largest sources of revenue. Those who join the staff stay. Most employees round off their tenure to the nearest decade. Those who join the board stay through their terms, and some continue to be involved. What would be a major distraction for most denominational foundations — the recent acquisition of the assets of another Methodist foundation — was not a distraction. TMF’s board and executives are practiced in discussions of the fit of a proposed action with TMF’s purpose and values.

Study participants described change at TMF as incremental or evolutionary. TMF leaders even found or recalled origins in change initiatives in earlier stories or statements going back to 1938. The change that is the subject of the case study is what TMF consultant Gil Rendle has described as “continuity and change.” Although many of the changes have been bold and unique departures from the business practices of traditional denominational foundations, they have been made with the measured assurance of bankers who know how to manage risk.

Focus on purpose and values have dominated all phases of TMF’s changes and planning processes. Purpose is the overarching reason why TMF exists. Values are enduring standards of behavior (servanthood, competence and integrity) that have made TMF what it is. These values form TMF’s culture, guide it in the future and create expectations for others in their interactions with TMF. Purpose and values apply to every phase of TMF’s activities and are discussed among the board (who are members or clergy of constituent congregations or judicatories), staff and constituents.

When the study team asked for a rough timeline of changes, the team received two lists — one a progression of questions, one a progression of activities. The two formats give a succinct summary of TMF: they live into their questions.

As with any sequential recapitulation, the following list of questions and actions is neater and more orderly than the history it describes.

How can TMF become a giving organization? In the late 1990’s, Tom Locke, the president of TMF, incorporated the ideas of a speaker at a meeting of the National Association of United Methodist Foundations in order to create an even stronger organizational culture of servanthood expressed through generosity and respect.

What are the core values by which we will do our work? Southwestern University faculty members facilitated the discovery of core values and purpose with staff and key board members. Even interviewees for this case study who were not associated with TMF at that time cited the importance of the process. The core values of servanthood, integrity and competence have been used as essential touchstones in all ongoing evaluation of the work of the foundation. The purpose and core values were named by almost everyone interviewed for the study.
How can TMF understand and leverage its position as an edge organization that is “of” the United Methodist Church but not “in” the United Methodist Church? The notion of being an “edge organization” was described to TMF by John Wimmer of the Lilly Endowment. An edge organization, in the context of this study, provides an outsider’s perspective and an environment for questions, conversations and the development of adaptive solutions. An edge organization offers alternative frameworks for those inside the organization. An edge organization does not offer diagnoses and prescriptive solutions. An edge organization stands metaphorically at the threshold of the congregation. John Wimmer’s description of TMF as an edge organization occurred during a conversation about a TMF idea for developing management and leadership skills for clergy.

The conversation with the Lilly Endowment was another step in two incremental processes of change. First, it was another step in developing programs with dedicated staff that are beyond those typical of a denominational foundation. Conversations between TMF and its constituents identified leadership needs and concepts that evolved into the Lilly grant for a clergy leadership program. Second, the development of the program became the foundation for claiming a competency in convening conversations for groups within the church. As one participant in the study described the need, “Sometimes things happen in a church organization because people do not have places for the right kind of conversations.” Serving at the threshold, TMF could convene those conversations.

If conversation is the currency of change, then how does TMF leverage its capacity and position for facilitating conversations to enable change in the church? TMF hosted the first of an ongoing conclave of active Bishops in the region. Outcomes of the Bishops Conclaves included a description of principles employed in appointing clergy to congregations. Tom Locke engaged Gil Rendle as a consultant to TMF. TMF began a series of experimental conversations “from the edge.” Attention was given to framing a clear question, inviting people from across the church who were stakeholders in the question, facilitating the conversation and encouraging the participants to use the experience to make changes in their own settings.

If TMF continues to grow in total assets but is serving a lesser church, then has TMF been successful? Tom Locke challenged the board with this question. A simple question became a change agent. Leadership read the book Holy Conversations: Strategic Planning as a Spiritual Practice for Congregations and highlighted a key strategic question related to God’s purpose — what is God asking of us?

Who is TMF’s client — the institution of the church or the purpose of the church? The board and executive staff chose to make the distinction between serving the status quo and encouraging clergy and other leaders to identify the purpose, the end, for which they do their utmost.

What is the North Star by which TMF will align its own work and its relationships with others? How will TMF bend the work of each department to the outcome of clarifying purpose for itself and for others? A planning process involving staff and board aligns existing services and programs with strategy and purpose, also providing a filter for new ideas and programs.

What strategies will TMF use to bring cultures of purpose and generosity to people at the individual level, the congregational level and the denominational level? TMF is implementing new organizational strategies with the leadership of a key executive for operations. The strategy involves more than organizational moves. The strategy involves area consultants in a deep, adaptive change in the nature of their jobs. They are changing from providing technical expertise to congregations to engaging congregations to define purpose, and then identifying resources that match the needs of the congregations. The
organizational strategy also evolves the programs of support for learning communities, aligns charitable services programming and takes other actions to continue to make the changes sought in the question.

The study team has identified the following five characteristics of TMF and TMF’s leadership that will be of interest to the audience. The descriptions of the five characteristics are the body of this report.

Five Distinguishing Characteristics

- Honoring God’s purpose as a primary force defining endeavors
- Guiding all processes with conversations about questions
- Being of, not in, the church
- Practicing the art of what works
- Honoring people and relationships

Honoring God’s Purpose

“The mission of the Church is to make disciples of Jesus Christ for the transformation of the world.”

—United Methodist Church

The mission of TMF is “to empower the church in the achievement of her God-appointed missions.”

A good institution honors and executes its mission. A great institution continues to interpret the mission for itself and others in order to add clarity. Then the people in a great institution go further. They identify the implications for its programs and operations. Then they strive to adapt its operations. They carve, modify and create programs align with their deeper understanding of its mission. No institution is ever in perfect alignment. Robert Quinn, in his book *Deep Change*, states that great institutions must continually seek to align operations with mission.

TMF appears to continually align with its mission. Study participants reported the following.

At the board or governance level, board members report that each TMF board meeting involves discussion of purpose, both separately and in conjunction with other topics. Tom Locke, the president, states publicly that TMF’s understanding of the mission has evolved and is evolving.

At the corporate or operations level, one department head mentioned that the department is having two meetings facilitated by consultant Gil Rendle to make certain its work is aligned with the mission. The alignment of purpose with operations is an ongoing conversation among the board and management. Staff who manage or coordinate, i.e., make things happen, meet regularly to discuss alignment with their purpose.

With the congregations and the church organizations TMF serves, conversations are focused on intention. Recently, TMF has found more opportunities to facilitate the discernment process with congregations. Even in the process of providing a loan to a congregation, or the more sensitive matter of collecting an existing loan, the loan officer might use the opportunity to ask questions relating to mission and purpose.

Purpose and values are theological constructs for TMF. Most interviewees talked about the distinction between serving the institution of the church and serving the purpose of the church. The language in which participants state the purpose varies — God-appointed purpose, God’s dream, God’s purpose, what is God asking of us? The meaning is clear.
At all levels of the organization, TMF asks people to consider the primary reason for their work. TMF is organized around God’s intentions and invites its constituents to experience the reality of God’s realm in a way true to the specific opportunities and duties of the situation. What TMF does not provide is a specific illustration of what God’s Kingdom looks like in their time and place.

The board has had a significant role in providing and protecting the space for explorations of, and living into, God’s purpose. The study team interviewed five current and former board members who talked about the evolving role of the board. They compared TMF’s board to others on which they have served, in which meetings centered on reviewing compliance, progress and measurement of success against the defined financial and operational yardsticks.

The TMF board engages in all those governance functions and makes time for other matters. The agenda for board meetings increasingly has devoted time to discussions of how TMF is serving the purpose of the church and helping the church serve out its God-appointed mission. Meeting agendas make time for questions. Are we serving the church to the best of our ability? Are there things that we are not working on that we should be working on? Are the things we are working on effective? The discussions are necessarily divergent and typically not linear. As one board member stated, “We are slowly trying to understand new paradigms for how we question our effectiveness and be brutally honest.” Well beyond permission giving, board members actively participate in the conversations during and outside board and committee meetings. They add their expertise and contacts for fundraising to church missions they learn of through the board. Part of the board’s activist role is due to the selection process for board members (which is described in another section) and from the energy members draw from each other.

Study participants commented that board members come to board and committee meetings having read the materials, whereas some other boards on which they have served have difficulty in achieving focus on purpose from board members.

As the mission of the United Methodist Church is stated outwardly, conversations with all levels of the TMF community led to stories about service, community engagement, mission and other experiences that Eric Swanson and Rick Rusaw call externally focused. A pastor said “This past May, we commissioned 45 Spanish speaking lay missionaries in church. And so now we’ve got to get these lay missionaries to work to engage the Latino community.” A TMF loan officer stated “Successful churches and those churches that we deal with primarily understand that it is about purpose. It’s about what they’re doing outside their walls not what they’re doing inside their walls.”

During the past 15 years, TMF has structured conversations and shaped behavior to reflect God’s intention for the world. The intention of God may look different depending on the context. However, if one is in the room with someone associated with TMF, then one can anticipate that sooner or later the conversation will arrive to consideration of God’s dream for this time and this place.
CONVERSATIONS ABOUT QUESTIONS

“Live your questions now, and perhaps even without knowing it, you will live along some distant day into your answers.”

—Rainer Maria Rilke

“Conversation is the currency of discernment and change.”

—Gil Rendle

Not all conversations are equal. Often we ask questions for which the answers flow automatically. The respondent has an immediate answer. Sometimes the question has to startle in order to initiate a deeper level of thinking. Sometimes the question needs to linger and have something like Sabbath space to develop into an answer worth living.

In the interviews with staff, board and stakeholders, every participant described one of Tom Locke’s questions without prompting:

The Question

“If we were to double the amount of assets under management but were serving a lesser church, then would we have been successful?”

This became known to the study team as “The Question.” We heard The Question in a variety of forms, yet its impact was obvious. It is a rhetorical question. Rhetorical questions often require little thought to respond. Rhetorical questions guide the respondent to an answer. Yet it was clear that each of the participants we interviewed had thought and conversed a great deal on the implications of The Question. The rhetorical answer started rather than ended the conversation. The Question also serves as the North Star, protecting the organization from pursuing activities that are not focused on supporting the mission of the church.

“If we were to double the amount of assets under management but were serving a lesser church, then would we have been successful?”

It seems an obvious question. If it is obvious, then why had it not been asked before by organizations in the same context? Why has it had such an impact on TMF? The Question pushes a reassessment of the measures by which denominational foundations are judged successful. It opens a conversation about what a mainline denomination can effectively address. The Question is existential. It pushes groups to talk about purpose and why we are here. Such a question moves a group to the threshold of something new, even if the new territory is not fully charted.

Other questions can spur conversations of purpose. The following questions might be asked by a TMF loan officer in conversation with church representatives:

“What are you known for in your community?”
“Do you have a mission statement?”
“Is this about making disciples of Christ?”
“If a storm wiped out only your building, would anyone outside your membership feel the loss?”
“Is there a local church that is in worse shape than yours that could use your support?”

The last question was asked of a congregation that was behind on loan payments. The question shifted the attention of the church to an external purpose. Soon the church asked for, and was granted, the postponement of a principal payment in order to buy materials for a work team to help address building issues of a smaller church outside the denomination. Soon, through the refinement of purpose, the loan payments were current.

The questions are provocative. Yet, in the supportive context in which they are asked, the questions empower.
The German philosopher Jurgen Habermas proposes the notion of unlimited conversation. He means that in many social arenas the phenomena of conversation is not bound by time constraints or restricted by premature conclusions. Two people in a debate are picking up where others have left off and others will follow. Think of God raising Jesus as a form of unlimited conversation. Death does not have the last word. Indeed, in the earliest manuscripts, Mark witnesses to the resurrection only to stop in mid-sentence at Mark 16:8. The proclamation hasn’t come to a conclusion. John Dominic Crossan proposes that Jesus’ parables are meant to be discussion starters about God’s Kingdom, not once and for all sermons. In this way, TMF is very Gospel like in their use of conversation.

Conversations have played an important role in the formation of the new programs at TMF. The conversations create a cascade of actions. For example, more than a decade ago, in conversations with judicatory and congregational representatives, TMF identified a need to respond to the needs of smaller churches that could not justify the expense of an outside consultant for stewardship and capital campaigns. Not too much later, a pastor recently assigned to a church with ordained staff called to ask what resources were available for a pastor new to directing staff. After conversation with the pastor and others, TMF arranged for an Alban Institute workshop on the topic.

The cascade continued. These conversations and responses caused TMF to ask what more it could do to assist pastors with leadership and management issues. A clergywoman on TMF’s staff asked a question that added another need — who was providing pastoral care for pastors? The conversations of mutual discernment between TMF and its constituents coincided with the opportunity to apply for a pastoral leadership grant from the Lilly Endowment. The pastoral leadership grant was to create learning communities within which a group of pastors could address some of the challenges, the pressures and the leadership issues with which they were grappling.

The learning communities had the following characteristics: 1) the members of each group were selected from different judicatories in order for members to develop a greater level of trust; 2) the members chose the topics they would address, topics that addressed the adaptive challenges they and the church faced; and, 3) the group had a facilitator.

Evaluating the output — the impact or the influence of the learning communities on their members, the churches they serve or the denomination — is beyond the scope of this study. However, the study team was fortunate to spend time with a member of a learning community formed under the clergy leadership program. The group continues to meet long after the grant ended. They have shared much, solved problems, dreamed dreams, ministered to one another in times of stress and sickness and continue to find wisdom, grace and peace in company. The relationships continue, as do the questions and the shared goal of serving their congregations with purpose and excellence.

New programs have built on the work of the first learning communities.

The first Bishops Conclave set in motion a series of conversations described by several interview participants in this study. The idea of a meeting of active Bishops came from the church. The active Bishops had not met as a peer group. The first meeting, of approximately the dozen active Bishops in the region, began with a discussion of a monograph, *Leadership Under Constraints*, prepared by Gil Rendle, then of the Alban Institute. The monograph (included in *Next Steps in the Wilderness* in the list of resources) contrasted the roles of leadership and management in the United Methodist Church from the perspective of organizational research. The second day, Gil Rendle facilitated the conversation. Reports of the first Bishops Conclave noted the energy in the room, the depth of the discussion, and the consensus that the meetings should
continue. Seven years later, TMF still hosts the Bishops Conclave twice a year on dates known well in advance. The absence of a Bishop is rare.

One story was told from multiple perspectives. During a break in one of the first gatherings, a Bishop talked about an opening for a senior pastor in one of the larger churches in the conference. Another Bishop suggested that the process of appointing clergy to congregations should be a topic for a future Bishops Conclave. It was.

Out of the conclave to discuss appointments came a set of principles by which the Bishops appoint clergy. Several interview participants talked about the outcome of the conversation. They agreed that the principles have resulted in appointments that better serve the mission field, the needs of the congregation and the developmental needs of the conference.

Conversation is an important tool that TMF uses to empower the church in the achievement of her God-appointed aims. Conversations cascade into actions, into more questions, into more actions, into more conversations.

With the cascade of conversations there has been an evolution in understanding how TMF can be a convenor, inviting the right people to be at the table and share perspectives on where the church is and what its opportunities are to better serve God’s mission. In addition to other peer learning groups, a process is in place for anyone to submit a proposal for a conversation with funding and guidance to be provided by TMF. More information on the uses of conversation can be found in the TMF ejournal, A Place at the Table, which is available through the TMF website.

Many of the study participants repeatedly cited the influence of Gil Rendle on the use of conversation as the currency of change. Study participants who are clergy describe him as “knowing us better than we know ourselves.” Participants reflected on his ability to start a conversation from a new perspective, his discipline to remain in a non-directive stance and enable the group to determine the topic and to be the objective presence during discussion of matters of deep concern to all in the room. Tom Locke and the board provide the environment for good questions to be asked, for conversations to take place, and for staff to dream, plan and execute. In his role as a TMF consultant contributing the tool of conversation, the study team has wondered if Gil Rendle is to TMF as TMF is to the church.

**BEING OF, NOT IN, THE CHURCH**

TMF’s position relative to the United Methodist Church in the conferences TMF serves could be an important factor in its effectiveness. TMF is on the threshold — of, not in, the church.

TMF is of the church in that Methodists populate its board and staff. TMF is of the church in that it operates within the political and theological spectrum of the church. TMF is of the church in that its mission is to empower the church in the achievement of her God-appointed aims. TMF is of the church in that it acts in congress with (and not in opposition to) the church. TMF is not in the church because it is a separate corporation with its own governing board. TMF is not in the church because it relies on its own resources outside the budget and budgeting process of the church.

The above statements have implications for the transformation described in this case study. This study is not to analyze or reach conclusions about mainline denominations. There is
a view that mainline denominations are structured for stability and have difficulty adapting to the needs of a changing world. Perhaps TMF is demonstrating two possibilities: 1) that an entity operating outside the formal organization of the church can empower the church to achieve her purposes, and 2) that informal change can be initiated and experimentation can occur within the formal structures and strictures of the church.

Because TMF knows the church through its 75 years of service, study participants said TMF’s outsider role could be considered as the research and development wing of the church. For example, church leaders played a role in defining the pastoral leadership program and supported the idea of facilitated peer learning groups. Yet it would have been difficult, even with an internal champion, for the church to implement the program from scratch without being required to serve “the tyranny of the all” that can be present with church initiatives. TMF could be more nimble in making decisions, such as seeing the benefit of recruiting group members across jurisdictions, using its expertise to define the homogeneity of each group (e.g., Newly ordained? Four-to-seven years after ordination? Big church? Rural church? . . .), determining whether to address the needs of hurting pastors or build the strengths of those who were flourishing, and experimenting to determine who would be the best facilitators (e.g., Counselors? Retired pastors? . . .). Most important, TMF could seek funding for a new program without making a decision out of scarcity — deciding whose budget would be reduced in order to fund the initiative. Finally, when the program proved successful, rather than scale up in order to include more pastors, in its research and development role TMF could cede the program to the church or to other organizations, which would free TMF to investigate other initiatives.

Participants remark that TMF programs are secure places. There is trust present on the edge. One can explore questions. One can share challenges without worry that discussion of personal or professional vulnerabilities or crises might affect his or her next appointment. Whether the group was the Bishops Conclave, a pastoral excellence peer group, or an open conversation about a matter facing the church, participants note that they can put aside disguise and put on the self most known to God.

TMF provides for the adult church what a church camp provides for young people — a place outside the sanctuary to practice being free from camouflage.

The author of Hebrews begins chapter 13 with an exhortation to show hospitality. Then the author moves to more esoteric comments on sin offerings. Hebrews 13: 12-13 reads in part, “Jesus also suffered outside the city gate in order to sanctify the people...let us then go to him outside the camp.” Preserving faithfulness may require social distance, not only from cultural impulses, but from too much immersion into ecclesial structures. TMF stands just outside the city gate. From such a stance there is freedom to find signs of God’s activity; possibilities glowing with imagination.

TMF can be more nimble and more experimental. It is in a better position to manage the risk of failure. TMF can start
small and execute flexibly, making adjustments and even refining the objectives during the stages of execution.

Operating outside the church yet in conversation with a broad spectrum of the church, TMF often is quickly able to find common ground and agreement on an initiative. This is generative space, a place of wisdom and artistry. TMF’s experience can give hope to entities operating outside the formal organization of the church that they can empower the church to achieve her purposes, and that informal change can occur within the formal structures and strictures of the church.

**The Art of What Works**

*Our helper has thought and prayed much about how to be of service to this congregation. After all, a big decision is ahead: build now or plan now? In her notebook, she makes a list of consultations and tools she could offer: assess their readiness for a capital campaign, design the campaign, coach a team on how to ask for funds from large donors. She turns the page and sees more ideas: introduce the board to Appreciative Inquiry, help them gain access to demographic material, lead a series of board planning retreats. This morning she puts aside the notebook and calls the pastor. When he answers the phone, she says, “I have one question for you, but I want to warn you it might not make things easier.” He says, “I can live with not easy, go ahead.” She says, “What is it that God most wants you all to be about?”*

TMF is able to practice the art of what works. The art of what works is described in a book of the same title by William Duggan. It can be described as understanding one’s experience and knowledge, and then recognizing good ideas that fit the context. In the midst of modestly listing his shortfalls to the study team, Tom Locke did allow that he sometimes knows a good idea when he sees it. The good idea is almost always someone else’s or from another discipline. Yet recognizing how an idea can be both adopted and adapted to fit in another organization is the essence of the art of what works.

A good illustration of the art was an experience from the late 1990’s that was provided by Tom Locke. He attended a meeting of the National Association of United Methodist Foundations in Denver. One of the speakers, the development director from a local hospital, talked about fundraising from a perspective of giving and receiving as complementary instead of as opposites. His department always provided a gift, even if only a coffee mug, to every visitor. The speaker told a story about a couple that came to his office intending to make a substantial gift to support the hospital’s use of a specific technology. The development director told them that the hospital did not use that technology. The director referred them to a hospital that did use the technology. He gave them the name of its development director. He then led them on a tour of his hospital and fed them lunch. The story ended well. The couple gave a substantial gift to the other hospital and also sent a gift to the speaker’s hospital.

Tom Locke recalled similar stories in the history of TMF. When he returned to TMF, he had an opportunity to implement the concept of giving as complementary to receiving. TMF was giving presentations to churches about its capabilities in consulting on capital campaigns. He asked the staff to present TMF’s capabilities and then describe competing firms that also provide the service and churches that have used those
firms. They asked church leaders to choose the best capital campaign consultant for them.

This story also ended well. TMF’s revenues grew. Later discussions led to the realization that the culture of generosity was embedded in the concept of servanthood. The concept of servanthood became one of the three core values of TMF. When the study team visited TMF, each of the staff we encountered asked what they could do for us. As one of the pastors we interviewed stated, “There is never a doubt that TMF is in our corner. [TMF] is there to serve the local United Methodist churches. Making a profit is a good thing and enables TMF to do more, but they really are here to help the local church succeed in its mission.”

TMF’s revenues continue to grow. Recognizing that someone else’s idea could fit in one’s own practice is practicing the art of what works. It demonstrates humility. It values effectiveness over ego. It honors servant leadership, servitude and purpose to an idea or mission larger than any single self. The art of what works means an organization will honor purpose in the service of good rather than maintain status quo for the protection of an institution.

The lending business requires careful stewardship of the loan portfolio: 1) using tools such as a cash-flow model crafted on knowledge of church finances, 2) helping congregations understand the amount they can borrow and state the impact of the planned expenditure in terms of the purpose of the church, and 3) understanding the intangible, missional values that affect the ability of a church to repay a loan. These are all based on 75 years of experience in working with churches.

TMF’s corporate knowledge of the church lending market is superseded by an even more powerful element of what works for the banking side of TMF. TMF loan executives apply TMF’s values and purpose in their lending relationships. They describe themselves as community bankers who, in making loans, are empowering the church for the achievement of her God-appointed mission. Interview participants for this study recalled a TMF lender who took a flight and then rented a car to drive to a small-town church for a Sunday afternoon meeting. The purpose of the meeting was to help the church leaders analyze their cash flow and ability to repay a loan that a local bank had offered. The TMF lending officer knew that the church would take the offer of the local bank. This is not a mark of a successful commercial banker. Yet it is what works for TMF. TMF considers it poor stewardship for a church to borrow from TMF when the church finds another lender more competitively motivated to meet its needs. And its loan business continues to grow, as churches rely on TMF to live the values of servanthood, competence and integrity.

Although foreclosure can be a possible end, the collection methods that TMF employs are very different from the collection methods used in commercial banking. The loan officers might ask questions instead of threatening foreclosure. Two questions stated earlier in this report bear repeating. “If a storm wiped out only your building, would anyone outside your membership feel the loss?” “Is there a local church that is in worse shape than yours that needs your support?” This is the art of what works. Recall that the loan was repaid by the church that shifted its focus to mission and made repairs to the building of a non-Methodist church.
The quote attributed to Chinese missionary Hudson Taylor, that “God’s work done in God’s way will never lack in God’s supplies” explains what works for TMF. Congregations that seek to discern and fulfill God’s purpose tend to have the leadership, strength and resilience to fulfill their commitments.

There are other sources of support for TMF’s decision making in business research. TMF often sees solutions in the juxtaposition of opposing or alternate concepts — giving and receiving, wilderness and promise — what Jim Collins calls the genius of “and” instead of “or.”

Another source of support beyond the art of what works is in the management practice of clear roles and functions best illustrated in the dyad of Tom Locke and Executive Vice President Curtis Vick. Tom is passionate about the vision and ideals. Curtis understands and is passionate about the ideals and helps the organization execute the ideas. Curtis personifies what students of organizations and teams call the “glue guy or gal” who holds the organization together.

Is TMF is able to do more because it has more? TMF seemed to the study team to be cautious in introducing and cost-effective in executing additional services. However, how TMF works and the interests of the intended audience raise two questions. How does TMF pay for the additional programs and activities? Could other organizations that are serving the institution of the church begin to serve the purpose of the church and maintain or even advance their own financial stability?

Most of us have not spent time thinking about the nature of denominational foundations, so there might be misconceptions about the amount of discretionary funds available to a denominational foundation. TMF does not receive direct support from the United Methodist Church. The sizes of the portfolio of loans to congregations and the funds that TMF manages for others are substantial, but those funds are unavailable to TMF to spend. Factors such as small differences in interest rates, sound judgments on loans, and the ability to compete with other financial institutions determine the amount of TMF’s operating revenues. Producing consistent operating revenues requires the expertise of a banker, the expertise which Senior Vice President David McCaskill brought to TMF.

This report cannot disprove, yet can cast doubt, on the assumption that TMF is in a unique position to do more because TMF has more. This report can give hope to serving organizations outside the church that they can make contributions from their unique positions at the threshold of the church. The hope is in being attentive in all aspects of their work to promote the purpose of the institution rather than the institution. It is something that anyone serving God and the church can do.

The art of what works also involves filtering ideas for change or program initiatives, measured introduction of changes or program initiatives, and careful consideration of the role TMF will play. These judgments are made after many conversations that involve getting the right people around the table. The conversations are between TMF staff, between TMF staff and board members, and between TMF staff and leaders of congregations and judicatories. The conversations typically start with someone seeing a path toward addressing a need or an opportunity. The topic becomes a question. The conversations deepen around purpose. The conversations might deepen on
questions of roles and resources. TMF then might formulate a first execution, i.e., a pilot or first attempt.

The pastoral leadership program is a good example of such a incremental cycle of recognizing what works. The first execution was a workshop taught by the Alban Institute to develop skills of senior clergy managing ordained staff. Later conversations centered on the identification of needs for management and leadership training of clergy. An ordained member of the TMF staff asked “Who is providing pastoral care for pastors?”

Then Tom Locke and several board members called a time out. The first execution, what might be characterized as the first step outside of the functions of a denominational foundation, had spurred many good ideas. With limited funds, they needed to decide on the right idea. Two faculty from Southwestern University facilitated sessions in which TMF stated its purpose and discovered its values of stewardship, competence and integrity.

After those sessions came more conversations involving representatives of the church, the board and staff. Jim Turley, a Methodist pastor who had been recruited by Tom Locke for some time, joined the staff to work on the clergy program. The TMF board chair, who also was on the board of the Alban Institute, arranged for a meeting to describe a program for pastors to the Lilly Endowment. At that meeting, they were informed that the Lilly Endowment was launching a grant initiative to support programs in pastoral leadership. They returned to the Lilly Endowment with a proposal. The response to the idea was good. However, TMF was told it needed to show that it had the ability and capacity to run a program outside the role of a traditional denominational foundation in order to obtain the grant.

TMF needed to raise money to pay for the development of the program, so a fund-raising effort began. More conversation and more learning ensued, this time with ideas from the leader of a Presbyterian peer learning group. The three concepts that were taken from the Presbyterian program became the basis of the TMF program. After beginning the program with several groups, TMF won the grant that allowed them to provide more pastoral learning groups.

With the successful conclusion of the grant, it became clear that the core competence of TMF was bringing the right people to the table to discuss the right question. It also became clear that TMF should remain at the threshold of the church in order to maintain its “edge” or outsider perspective. As the church developed its own peer learning groups, TMF concluded it should not scale up to be a provider at the direction of the church. Instead TMF should provide new programs that use its position and capacity that is of, and not in, the church.

One of the new programs is to organize area consultants for a new function. The area consultants help congregational leaders identify, secure and use resources — through TMF or other resource providers — best suited and most effective to their questions and ministry settings. The work of the resourcing consultant is to engage the church in conversation to discover resources that will be of greatest value in achieving its purpose. Resourcing congregations is a practice developed by the Indianapolis Center for Congregations. Again, TMF is practicing the art of what works by identifying ideas that fit with the knowledge, experience, purpose and values of TMF. The
leadership ministry also is in the process of building on its experience and incorporating ideas and perspectives into its program.

As an edge organization, practicing the art of what works will be a continuous process for TMF in its role as the research and development wing of the church.

HONORING PEOPLE AND RELATIONSHIPS

One trait was mentioned often in the interviews conducted for the study. People at every level of the TMF organization intentionally interact with others in a special way. They show interest and concern for others and for God’s purpose as represented by others.

TMF leadership models the behavior, which appears to be genuinely and fully embedded in the culture. TMF leadership wants to be more than the public face of the foundation. They make an effort to know as many people as possible who are involved in the United Methodist Church in conferences TMF serves. TMF people at all levels attend the annual conference and other church meetings. They might meet people through membership on other boards or at school functions. TMF leadership makes it a point to meet the leaders of congregations that have loans, investments or grants with TMF. Congregational leaders we interviewed volunteered that they know they can reach TMF leadership on the phone.

There can be many reasons for meeting and getting to know people. For example, TMF wants people to know about TMF and what it can do for them. When one gets to know people, they are more open to share their concerns for the church, as well as their hopes and dreams.

Here is another possible reason. TMF leadership can learn what wisdom and talents are available before board seats or staff positions are available. Every TMF board member, employee and consultant interviewed for this study talked to Tom Locke several times — at the very least — before Tom Locke raised the possibility of employment or board participation. Recruiting employees and board members is done at a continuous pace and long before the specific need. Contrast a nominations committee meeting under time pressure to vet names. If this were characterized as a hiring or selection process, then at any time there are scores of people in process for jobs or board roles, many which might never exist. TMF’s process is almost like a composer identifying notes, chords and rhythms that might be used in a musical piece yet to be written.

The process has many beneficial outcomes beyond the reasons listed two paragraphs earlier. The process saves time posting job openings to which the best people may not be aware or apply. It provides an opportunity for both parties to learn about the fit for a job and the fit with the organization outside the emotional context of a job interview. Knowing the talent available enables TMF to fit the position to the available talent. The best people are placed in appropriate roles and there are fewer bad judgments in filling roles. Any manager knows that bad judgments in filling roles are the most difficult and time-consuming judgments to correct.

TMF staff stay in touch with the people of the churches, districts and conferences that TMF serves. It is in the culture. TMF is about staying in touch with constituents, visiting, praying together and asking, among other things, “What can I do for you?”

People who encounter TMF, including those who work for TMF, experience high expectations. The work is not for everyone. Nor does every congregation served by TMF come to match purposefulness with missional outcomes. However, if one is in the TMF network, he or she will more than likely experience being treated as a three-dimensional human being and not as a consumer or an object of an impersonal institu-
tion. People are human beings claimed by God for a great beyond. The theological anthropology of TMF is that people cannot be reduced to categorization. They are not represented by numbers. They are not represented by what they can do for an institution, whether that institution is the church or TMF itself. People have faces. They have names. They live, pray and worship in specific locales. People live to serve God and contribute to the good of the world.

In The Message, Eugene Peterson translates Romans 8. It reads like a sermon on that section of scripture. It also serves as a proclamation that could come from TMF if TMF were somehow personified into a preacher of the gospel:

Take your everyday, ordinary life — your sleeping, eating, going-to-work and walking-around life — and place it before God as an offering. Let’s just go ahead and be what we were made to be, without enviously or proudly comparing ourselves with each other or trying to be something we aren’t. If you help, just help, don’t take over. If you give encouraging guidance, be careful that you don’t get bossy; if you’re put in charge, don’t manipulate; if you’re called to give aid to people in distress, keep your eyes open and be quick to respond. Keep a smile on your face. Love from the center of who you are — don’t fake it. Be good friends who love deeply; practice playing second fiddle. Get along with each other; don’t be stuck up. Make friends with no-bodies; don’t be the great somebody.

Several pastors and judicatory officials recall Jim Turley, lending officers, board members, and others from TMF visiting with them or taking them out of the church for a hamburger, looking at them in the eye, and asking “How are you?” As one senior pastor said “It was a profound, genuine ask, and then a profound, genuine listen. If there is value to be given to a pastor, it is to have someone ask that, mean it and not have an agenda when they ask it.” A participant noted that even the clergy leadership groups became, in some sense, a structured “How are you?” with a group of peers.

People representing an organization that stands at the threshold of the congregation are able to negotiate just the right distance and closeness in relationships. If one is too close, professional relationships suffer from too much subjectivity. If one is not at the threshold but metaphorically across town, there is no shared purpose to be explored. The importance of the image of the community banker for the community of Methodist churches and the trust through personal relationships with church leaders that has developed over years serves TMF and its constituents well.

**CONCLUSION**

The study team asked a small number of the study participants to think of necessary elements for change — elements without which TMF might have continued as a traditional denominational foundation. After all, would anyone have criticized TMF if it had continued to be solely a well-run lender and investor serving congregations and members of the United Methodist Church?

During the analysis and writing, the study team realized that they had underestimated the number of organizations that might be considered of the church, but not in the church. An abundant community stands at the threshold of congregations. The group of organizations serving congregations includes foundations, seminaries, publishers, consultants, educators, resource centers, church camp and retreat centers and judicatories.

Thus, the following is a list of items to think about — based on one, qualitative case study of an institution that did change — and offered to any organization that might consider itself an edge organization serving the faith community.
Who or what are you serving?
Most interviewees talked about the distinction between serving the institution of the church and serving the purpose of the church. Purpose and values can be theological constructs. The language in which participants state the purpose varies — God-appointed purpose, God's dream, God's purpose, what is God asking of us? What would it look and sound like for one serving congregations at the threshold to describe purpose and values in a succinct and winsome way? To see an example, on the TMF website their president describes purpose and values in a two-minute, one-camera video without the use of charts. In the video, he makes another important point, that there has been an evolution in understanding what its purpose means. He has established their significance by stating some of the phrases that explicate purpose and values for more than a decade, yet the immediate task is to determine how they should play out today. The task for other edge organizations is to determine what purpose God is preparing for them to address.

What does it mean to be of the church? Every study participant cited his or her home church or one of the early churches they served to illustrate a point or provide an example. Board members come to the board through the church. Without grounding in such experience, congregational statistics are difficult to interpret.

Being of the church is measured by the trust the church has in the organization standing at its threshold. The study team wonders if being of the church means a consistent pattern of interaction. It most certainly means that the church can depend on the organization to perform its core services or deliver its core products. It might mean knowing clergy and lay leadership well enough to recruit board members, employees or volunteers with certain expertise or experience. It requires trust to get the right people to the right table to discuss the right questions. Being of the church often implies the knowledge and ability to ask what the edge organization can initiate faster, more economically and better than the church.

How does an organization maintain its place at the threshold? The presence of a consultant who engages groups in conversations framed theoretically, theologically and organizationally has served TMF in a role parallel to the way TMF serves for the church. That is, TMF has had an “edge” person among them. How does a consultant to an organization maintain an “edge” perspective as length of service increases? Likewise, to what will the edge organization say “yes” and “no” in order to maintain its status of being of, but not in, the church? For example, what are the limits of collaboration with the church? For other organizations, how might the presence of a “court prophet” who is an excellent advisor, strengthen fidelity to purpose?

Where does the church need assistance? As more than one study participant remarked, pouring a lot of of money into a church does not guarantee its success. How can an edge organization use its outsider perspective to aid discernment of voids or needs? Questions that lead to conversations about purpose can lead to plans and actions. Sometimes the questions begin by asking church leaders, “How are you?” or “What can I do for you today?”

Does the organization have the capacity to consider and pursue ideas? The core services must produce enough funding
for leadership to engage in internal and external conversations about new or revised programs. Note that TMF was not able to fund development of some of the new services, yet could devote time to determining the need, planning the program and seeking external funding. A sustainable business cannot merely support status. A sustainable business must have a business model that generates sufficient and consistent additional revenue to support change.

Is the board capable of supporting change? The study team has wondered about the distinction between purpose and strategy and concluded that discussion of purpose is a precursor to strategy. Beyond performing compliance functions, board members must be capable and willing to engage in existential questions, such as why the organization exists, how they will know it is as effective as it could be, and what additional activities would fulfill its purpose. The board members should have the corporate knowledge to discuss the parameters of the mission. These discussions are nonlinear. These discussions often require a period of divergence before they can converge. These discussions lay the foundation for strategy.

How do experts practice a non-expert stance? Many organizations that serve congregations have staff with specific areas of expertise. Yet, serving purposeful congregations means leaving some of that expertise at the threshold. Is it possible for those who have spent years gaining specialized know-how to offer questions rather than answers, make space for conversation rather than hold trainings?

What are the most appropriate measures for success? Although the church does not necessarily need to be run as a business, there is much written that can be learned from critical reflection and evaluation. For example, how do we measure impact? If the definition of success in the church moves away from counting the number of members and amounts of money, can an edge role help frame conversations to describe or measure success?

A month later, our helper has crossed the threshold of the church and is sitting in a room with the church council. Many thoughts are going through her mind. What are the possibilities for serving the church from the outside? How does she serve without meddling? How can she continue to establish trusting relationships with the church without creating dependency? What are the new measures of discipleship and mission?

It is her turn to speak. She asks, “What is it that God most wants you all to be about?” She forces herself to be quiet. She knows the dreams of God come from a great beyond.

After what seems like five minutes, a hand is raised, then another. The questions are many. Yet, help abounds. God does provide. The conversation is unlimited.

The possibilities are endless.

Leadership is a struggle, the author maintains. However, it is a good struggle. What makes it a good struggle is the willingness for the leader to assume responsibility for actions, to be dedicated to a cause beyond him or herself. With all the demands placed on our religious institutions, this book is a refreshing, honest look at the redemptive burden of leadership.


This book has practical, tested ideas for those seeking help about how to organize a learning group or provide the space for productive dialogue. It provides more than hints on how to turn a group into a community.


Conversation takes place all the time in congregations and judicatories. Yet, not all conversations are equal. The more productive conversations are ones in which people speak the truth as they know it without the compulsion to change other participants. An important caveat, truth is not the same as opinion.


Before Collins wrote *Good to Great,* he produced *Built to Last.* The book asserts that successful work groups do two things: preserve the core purpose and stimulate progress. Despite the inherent tension between the two, both are necessary.


The answer to strategic and even practical problems exists in most circumstances. It takes knowledge of context and the ability to recognize and adapt the ideas to find the answers. Further elaboration of this cognitive process is found in Duggan’s more recent book *Strategic Intuition.*


This book is for those who are ready to move beyond blaming the system. The author makes the effective case that change begins when leaders choose to practice the change needed through their behavior. It is the willingness of the leader to be the change agent and to take on the responsibilities and challenges required that leads to deep change, not superficial remedies.


For many, this is the best book about strategic planning in a congregational or faith-based setting. The book offers many practical tools and provides an outline for a comprehensive process driven by conversation and interpretation, not assuming that one already knows the road that needs to be taken.


This monograph, which includes the 2006 paper that was discussed at the first Bishops Conclave, is a clear description of the differences between the functions of leading and managing. The monograph goes on to describe what has been learned by a system that is moving from managing problems to leading with vision. Although the subject is the United Methodist Church, the message is broadly applicable. This piece is available online through the Texas Methodist Foundation website.
**Interview Participants**

**Rev. Tom Deviney**  
Senior pastor, Bethany UMC in Austin, Texas

**Bob Dupuy**  
TMF vice president of Charitable Services  
Past TMF board chair

**Rev. Lisa Greenwood**  
TMF vice president of Leadership Ministry

**Candy Gross**  
TMF senior vice president of Operations

**Robert Hoppe**  
TMF vice president of Loans and Real Estate

**Bishop Janice Riggle Huie**  
Bishop of the Texas Annual Conference of the UMC  
Past TMF board chair

**Henry Joyner**  
TMF board director  
Lay leader, First UMC in Hurst, Texas

**Tom Locke**  
TMF president

**David McCaskill**  
TMF senior vice president of Methodist Loan Fund Services

**Rev. John Mollet**  
Senior pastor, First UMC in Grapevine, Texas

**Rev. John Reasons**  
Senior pastor, A&M UMC in College Station, Texas

**Gil Rendle**  
Senior consultant, TMF Leadership Ministry

**Bob Rork**  
Current TMF board chair

**Rev. Owen Ross**  
Pastor, Christ’s Foundry in Dallas, Texas,  
TMF board director

**Patti Simmons**  
TMF vice president of Foundation Relations

**Rev. Jim Turley**  
TMF senior vice president and director of Area Staff

**Curtis Vick**  
TMF executive vice president of Operations and Area Staff
Written by Buzz Reed

Research team: Kara Faris, Buzz Reed, Tim Shapiro and Susan Weber

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