

A Daylight Media Ministries White Paper



## Sustaining Ministry In A Tough Economy

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**Table of Contents**

*Sustaining Ministry In A Tough Economy* .....3  
*Could Outsourcing Be An Answer?*.....3  
*Stewardship* .....3  
*Expertise* .....4  
*Capacity* .....4  
*Measuring Success*.....4  
*Conclusion* .....5  
*About Daylight Media Ministries* .....6  
*End Notes* .....7

## Sustaining Ministry In A Tough Economy

By Rod Dixon

It comes as no surprise that ministries are struggling to stay afloat in this difficult economy. According to many studies, smaller ministries are hardest hit, but in organizations of any size, critical support functions tend to be underfunded even in good times<sup>1</sup>. So with increasing pressure to do more with less, how can ministries sustain their core mission activities while maintaining legitimate (and often mandated) back-office operations<sup>2</sup>?

For Daylight Media Ministries, this question is a double-edged sword as we address our own operational needs while positioning ourselves as a provider of support services to our ministry partners. Nonetheless, wrestling through these issues has revealed some interesting findings for the organizations we hope to serve.

### Could Outsourcing Be An Answer?

Outsourcing is a strategy that has been widely used in the corporate world for a long time. It is when businesses contract with an outside, independently owned service provider to perform some routine or specialized internal operating activities. The value for missions and ministries can be understood in the context of three principles:

- Stewardship
- Expertise
- Capacity

### Stewardship

Ministries are founded and organized to perform core services and activities they feel called to and have passion for. These may include evangelism, church planting or acts of mercy and related services. The concept of stewardship relates to a strategic response to this calling of God through acts of obedience to Biblical commandments (such as The Great Commission), wise management of resources and transparent accountability.

Such organizations logically attract or recruit a majority of individuals who are trained and experienced at performing core activities consistent with the organizations purpose, vision and mission – teaching, preaching, delivering medical care, etc. The support functions necessary for sustainability to continue delivering these services or activities are not always given the attention they need or deserve with potentially disastrous results.

*"The impacts of not finding better solutions to these back-office needs include: inefficiency and burnout; high staff turnover, cash flow crises, loss of funding, missed opportunities, diminished impact and threats to growth and sustainability. At best, these are enormous distractions for leaders of small nonprofits. At worst, the lack of adequate back-office infrastructure is responsible for their ineffectiveness in achieving their mission and incalculable human and financial waste."<sup>3</sup>*

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Outsourcing certain specialized support functions should be considered by leaders as a wise stewardship strategy to help manage costs, obtain highly skilled and experienced help that would otherwise be unaffordable and respond to fluctuating needs or demands for specialized services. It would also free up leaders to focus on what they are good at. Studies suggest that considerable savings can be realized too<sup>4</sup>.

### Expertise

It is assumed that service providers will possess expected levels of experience and expertise to deliver high-quality solutions. Such expertise is developed through formal education as well as years of practical experience serving clients in both corporate and nonprofit sectors. Think of this in terms of the technical competencies necessary to do the requested work. For ministries, however, a broader understanding of a service provider also needs to be considered.

A successful, long-term partnership requires that providers understand a ministry's mission. For Daylight Media, this also requires expertise and understanding of a ministry's various audiences and a grounding in and sensitivity to cross-cultural dynamics. We know that the presence of a media team can impact hard won relationships that have been developed over years of effort so we have to operate in a way that leaves a 'zero footprint' – no fallout for ministry members to deal with after we've packed up our gear and gone home at the completion of an assignment.

It's not uncommon for ministries to overlook internal quality issues when they have grown accustomed to just getting by with what they have or when leaders lack the experience or judgement to assess results.

*"Nonprofits may be satisfied with the quality of some functions they are currently performing in-house without understanding how poorly they are actually performing these functions and the long-term costs and impact of this."*<sup>5</sup> Many are simply handicapped with outdated tools, technology and inadequate funding or real-world experience.

### Capacity

Even when ministries have in-house staff to perform back-office support functions, they may still need external resources to help respond to peaks in demand or unexpected opportunities. The reality is that there is way more demand for communications and media consulting and production services than most ministries can accommodate. *"Areas most in need of better solutions included human resources functions related to finding and keeping good staff, financial planning, and communications and marketing..."* And again, *"Many organizations expressed great dissatisfaction with the state of their communications and marketing plans and saw this—along with the need for improved publications and marketing materials—as their most pressing need."*<sup>6</sup>

### Measuring Success

Ministry success can be hard to measure, but it is a necessary component for those hoping to retain their donor base. Businesses have routine operational data they draw on to report results. For example, sales figures and profit & loss statements let them monitor their performance over time and compare results to their past business cycles or future goals. Ministries have similar internal operating data to assess performance against planned budgets, donations and donor acquisition or retention. Measuring success or progress toward mission achievement, however, is a little more difficult.

Of course donors want to know that a ministry is operating efficiently and making good use of their resources, but they are generally attracted to ministries because of a personal connection or because they identify with the stated mission. In the long term, donors continue to support organizations who demonstrate impact in achieving their mission. Although reporting broad, numerical information can provide context and scope to let donors know how many people are being reached or how big the problem is that you are addressing, but numbers tend to be very impersonal and likely will not engage people emotionally or intellectually.

At Daylight Media, we are convinced that there is nothing more profound than the personal testimony of someone whose life has been transformed by the power of the Gospel of Jesus Christ. Ministries and missions need to demonstrate their achievements by effectively telling transformation stories of individuals who have benefited from your work. These stories will help donors see the impact of their support in real, tangible, human terms—keeping them committed for the long term.

### Conclusion

Good stewardship practices, objective quality considerations and capacity management provide nonprofit leaders with substantial justification to partner with highly skilled service providers to meet specialized operational needs.

A slow economy - with donations falling off - is exactly the worst time to try to save money by cutting back on communications and marketing efforts. Donors are also feeling the pinch so ministries have an obligation to remind them of why they began supporting them in the first place. Donors want to focus their support where they can see ministry impact. Therefore, your messaging should focus on the life-changing impact of your efforts - results made possible by donors' contributions. In any case, ministries should avoid the temptation to go for the jugular, seeking an emotional response. Rather, provide strong, fact-based information, testimonies and case studies that will reach beyond emotions to secure a long-term, intellectual commitment to supporting your work.

*"...provide strong, fact-based information, testimonies and case studies that will reach beyond emotions to secure a long-term, intellectual commitment to supporting your work.."*

*Systematic studies (Russell, 2007; Greaver 1998) from multiple sectors converge on the following sets of reasons for outsourcing:*

- *Reduce operating costs and reduce capital investments*
- *Increase organizational impact by allowing staff to focus on core business*
- *Access to technology, skills and insights not otherwise available or affordable*
- *Increased flexibility and responsiveness*

*Other reasons include improving quality and providing an alternative to building capacity in-house (Russell, 2007), improved management and control, improved credibility and image through association with superior providers, and accelerating growth (Greaver, p.4)."<sup>7</sup>*

### About Daylight Media Ministries

We bring experience and expertise developed over 35 years of service in a variety of market segments for corporate and nonprofit clients to focus specifically on extending the Kingdom of God through effective use of media communications.

*Mission Statement: "Daylight Media Ministries is dedicated to supporting the work of Christian ministries and missions by providing affordable consulting and media production services to help capture, distribute and tell contemporary stories of God's work in and through the lives of His people for the edification, equipping and encouragement of individual believers, small groups and the Church."*

Conveniently located in Dallas, TX

<http://www.daylightmedia.org>

## End Notes

<sup>1</sup> "The Nonprofit Starvation Cycle", Gregory, Ann Goggins, Howard, Don, Stanford Social Innovation Review, Fall 2009 - <http://www.ecfa.org>

<sup>2</sup> Operational or back-office support functions are defined as administrative or professional services needed to support "core program work". E.g. Accounting, human resources, training, marketing and communications.

"Outsourcing Back-Office Services in Small Nonprofits: Pitfalls and Possibilities"

A Study Conducted by the Management Assistance Group In Partnership with the Eugene and Agnes E. Meyer Foundation October 19, 2009 - <http://www.meyerfoundation.org/downloads/Outsourcing-FullReport.pdf>

<sup>3</sup> Outsourcing Back-Office Services in Small Nonprofits: Pitfalls and Possibilities" - Page 2

A Study Conducted by the Management Assistance Group In Partnership with the Eugene and Agnes E. Meyer Foundation October 19, 2009 - <http://www.meyerfoundation.org/downloads/Outsourcing-FullReport.pdf>  
(Non-Profit Overhead Cost Study, Brief No. 3, August 2004)

<sup>4</sup> "Fundors See Savings In Outsourcing", Philanthropy Journal Online, Oct. 3, 2007,

<http://www.philanthropyjournal.org/archive/143208>

<sup>5</sup> "Outsourcing Back-Office Services in Small Nonprofits: Pitfalls and Possibilities"

A Study Conducted by the Management Assistance Group In Partnership with the Eugene and Agnes E. Meyer Foundation October 19, 2009 - <http://www.meyerfoundation.org/downloads/Outsourcing-FullReport.pdf>

<sup>6</sup> "Outsourcing Back-Office Services in Small Nonprofits: Pitfalls and Possibilities - Executive Summary" - Page 2

A Study Conducted by the Management Assistance Group In Partnership with the Eugene and Agnes E. Meyer Foundation [http://www.meyerfoundation.org/newsroom/press\\_releases/534](http://www.meyerfoundation.org/newsroom/press_releases/534)

<sup>7</sup> Outsourcing Back-Office Services in Small Nonprofits: Pitfalls and Possibilities" - Page 7

A Study Conducted by the Management Assistance Group In Partnership with the Eugene and Agnes E. Meyer Foundation October 19, 2009 - <http://www.meyerfoundation.org/downloads/Outsourcing-FullReport.pdf>  
(Non-Profit Overhead Cost Study, Brief No. 3, August 2004)