



Note to the reader:

LaVern Yutzy was hired as a consultant by Mennonite Church USA in January 2009. All of his recommendations in this report are submitted for discussion and discernment in a variety of forums over the next few months. The recommendations may or may not be adopted. The stakeholders who would be affected if these recommendations were adopted will have ample opportunity to share their perspectives and suggestions. Please direct any responses to Ervin Stutzman, Executive Director, Mennonite Church USA, at ErvinS@MennoniteUSA.org.

Report on Alignment Opportunities

for Mennonite Church USA

LaVern Yutzy

Consultant on Churchwide Operations and Alignment

January 12, 2010

1 **Introduction**

2

3 ***Vision: Healing and Hope***

4 ***God calls us to be followers of Jesus Christ and, by the power of the Holy Spirit, to grow as***
5 ***communities of grace, joy and peace, so that God's healing and hope flow through us to the world.***

6

7 Following Jesus is at the heart of what we are called to as individuals, as fellowships and as a
8 denomination. The desire to faithfully follow Jesus is readily apparent at all levels of the church.
9 Executive Board members as well as Executive Leadership staff are clearly motivated by this
10 commitment.

11 Efforts to increase alignment within the denomination must be seen in this context. Alignment efforts
12 are not an end in themselves. This report is not the "answer" to the Kanagy study (*Church Member*
13 *Profile* by Conrad Kanagy, 2006.) If it has any value, this report will support our efforts to faithfully
14 follow Jesus.

15

16

17 From January to December 2009, I served as Consultant on Churchwide Operations and Alignment for
18 Mennonite Church USA.

19 I consider it a very rare privilege to have had the opportunity to talk with 142 persons, nearly all of
20 whom are a part of Mennonite Church USA. Meeting these persons and participating in a variety of
21 conference and denominational level meetings have underscored the high levels of commitment and
22 competence that are present. There is clear evidence of a strong passion for the church and an
23 appreciation for worship and prayer as an integral part of following Jesus.

24 One of the highlights of this year took place in October at the Constituency Leaders Council at
25 Williamsburg, Virginia. Each conference reported and many shared stories about new church plants and
26 various fellowships that are springing up as well as existing congregations who are recognizing that they
27 share Anabaptist beliefs and who want to connect to a larger Anabaptist church body. I was
28 overwhelmed by the many ways that God is indeed at work in the world and is building His church.

29 The image of a variety of expressions of faith bubbling up is inspiring and hopeful. God is present in
30 each of these situations. Joining God in this work includes planting churches, nurturing new believers
31 and welcoming existing congregations who share our Anabaptist Christian beliefs. It is exciting to see
32 the variety of possibilities that emerge as we respond in faithfulness to what God is doing in the world.

33 **Assignment**

34 In January 2009 I agreed to serve as Consultant on Churchwide Operations and Alignment for
35 Mennonite Church USA. The purpose as outlined in the memo of agreement is stated below:

36 *The primary purpose of the Consultant is to help increase alignment in Mennonite Church USA*
37 *system-wide and lay the groundwork for helping all parts of the church set system-wide*
38 *priorities. The Consultant's work will set the stage for further transformation of identity, purpose*
39 *and organization in Mennonite Church USA and equip the incoming Executive Director and 2009-*
40 *2011 Executive Board to lead in this transformation work.*

41
42 Broader expectations for this review as outlined in the memo of agreement were identified as:

- 44 • *Help the denomination to live within its means, be more efficient, eliminate duplication and*
45 *achieve its goals*
- 46 • *Identify ways to integrate churchwide priorities into the program and practices of the entire*
47 *churchwide organization and begin the work of alignment and implementation*
- 48 • *Develop recommendations for building intersections through relationships and practices which*
49 *are intentional and become a routine part of the denominational structure*
- 50 • *Review financial and development systems throughout the denomination and make*
51 *recommendations for more intentional and focused resource allocation in line with the*
52 *integrated priorities of the denomination*
- 53 • *Propose ways to simplify the churchwide system to benefit the missional church efforts of*
54 *congregations, conferences and their leaders*

55
56 *In this role, the Consultant will evaluate and analyze the churchwide system from a perspective of*
57 *helping to position Mennonite Church USA to revitalize its traditional base, support the growing parts of*
58 *the church and reach out to new groups and individuals who share the vision and values of Mennonite*
59 *Church USA.*

60
61 Specific expectations included:

- 62
63 • *Analyze agency programs and budgets to look for redundancies, inefficiencies and lack of*
64 *alignment, as well as notable strengths and synergies*
- 65 • *Review area conferences and look for similar information*
- 66 • *Review Executive Leadership programs and functions for how they can increase and encourage*
67 *alignment in the churchwide system and make recommendations for change*
- 68 • *Project long term trends for the whole of Mennonite Church USA and suggest future actions in*
69 *response*
- 70 • *Keep in contact with churchwide agency and Executive Leadership leaders and seek their counsel*
- 71 • *Help strengthen relationships and increase alignment within the denomination*
- 72 • *Help conceptualize a longer term role for a chief operating officer for Mennonite Church USA and*
73 *the benefits or detriments of having such a position*

74
75 **Process**

76 The persons I talked with throughout the year do not represent a random sample or the development of
77 a comprehensive list of persons to interview. Attempts were made to include persons representing a

78 variety of perspectives and roles within the church. I sincerely regret that I was not able to talk with
79 more persons who could have offered additional perspectives.

80 Each person was told that their candid comments were needed and that they would not be quoted with
81 their names attached. Persons were willing to talk, and talk openly, about their experiences, their
82 concerns, the changes that are needed and their hopes for the future. I tried to end each interview with
83 an expression of appreciation on behalf of the denomination for their commitment to the church and
84 for their significant contribution (past and present) to the life of the church.

85 Much of my time was focused on listening and probing in conversations with individuals, as a guest at
86 many meetings and in reviewing minutes of meetings and documents. Throughout the year I have
87 attempted to share preliminary observations with persons most closely involved. The purpose of this
88 was to test the observations and to gather a broader perspective. Sharing these emerging observations
89 also served the purpose of beginning to frame discussions about what may need attention. Observing
90 changes that have taken place during the year helped us imagine new possibilities that could not have
91 been envisioned earlier.

92 In many ways this has been an interesting and exciting year. This review has been one of observing a
93 denomination in change. There is openness to change and we are beginning to live into the future.
94 Collaborative efforts have increased. Observations described in this report are descriptive of how our
95 denomination has been perceived during the past year. Changes are continuing and the current state of
96 each part of the church may not be fully reflected in this report.

97 Much progress has been made since the Executive Board's February 2008 proposal to increase
98 alignment. The purpose of this report is to provide recommendations for building on this progress.
99 While much has been accomplished, there is more that can and must be done to increase alignment and
100 support the *Vision: Healing and Hope*.

101

102 **Executive Summary**

103 There are several major conclusions that emerge from this review:

- 104 ➤ **For alignment to be a useful strategy, we must agree on the ends or purposes around which**
105 **we wish to align.**
- 106 ○ We must join together in living out the *Vision: Healing and Hope* which includes "to be
107 followers of Jesus Christ."
 - 108 ○ The four stated priorities – **holistic witness, culture of call, dignity and value of all and**
109 **global connections** – identify areas that will receive special attention.
- 110 ➤ **An additional level of planning is necessary to make alignment efforts more successful.**
- 111 ○ Prayerfully discerned biennial strategies and action plans are needed in order to direct
112 and unify our efforts.
- 113 ➤ **The role of conferences and Racial/Ethnic groups must be strengthened.**
- 114 ○ Conferences and Racial/Ethnic groups must be seen as the primary focus of
115 denominational level activities.

- 116 ○ Conferences must be represented on the Executive Board and conferences and
117 Racial/Ethnic groups must be much more engaged in decision making.
- 118 ➤ **Realignment of agencies and support services will increase the effectiveness of**
119 **denominational level activities and contribute to a more unified identity.**
- 120 ○ Develop different categories for functions/agencies supported by contributions and for
121 those functions/agencies whose revenues come primarily from the sale of products or
122 services or fees paid by members.
- 123 ○ After a transitional period, integrate Executive Leadership and Mennonite Mission
124 Network functions by 2012 under the leadership of the Executive Director of Mennonite
125 Church USA.
- 126 ○ Expand denominational level support services to include program agencies to the extent
127 possible.
- 128 ○ Establish the positions of Director of Churchwide Operations and Director of
129 Denominational Support Services to replace the current Associate Executive Director
130 and Director of Administration and Advancement positions in Executive Leadership.

131 Additional recommendations included in this report:

- 132 ➤ Reconfigure Mennonite Education Association to be an association of Anabaptist schools.
133 ➤ Explore Program Agency status for Mennonite Health Services Alliance.
134 ➤ Establish *The Mennonite* as the official publication of the denomination and as a part of the
135 communications department of the denomination.
136 ➤ Move to one official denominational headquarters by 2011.
137 ➤ Expand the mission of Church Extension Services by transitioning it to Mennonite Mutual Aid.
138 ➤ Continue plans for the building in Elkhart within recommended parameters.

139 A multi-faceted approach is necessary in order to address complex issues like alignment in a
140 denomination. Piecemeal implementation of selected portions of this report is likely to have limited
141 impact.

142

143 **Alignment around Vision and Priorities**

144 When alignment is desired, the question becomes: Around what purpose do we attempt to align the
145 various parts of our denomination?

146 There is general agreement that we must align our efforts around following Jesus as described in our
147 shared *Vision: Healing and Hope* and the four stated priorities

148 ***Vision: Healing and Hope***

149 *God calls us to be followers of Jesus Christ and, by the power of the Holy Spirit, to grow as*
150 *communities of grace, joy and peace, so that God's healing and hope flow through us to the*
151 *world.*

152 **Four Stated Priorities**

- 153 • In our **holistic witness** we practice and proclaim the Gospel of Jesus Christ through a
154 seamless web of evangelism, justice and peacemaking.
- 155 • We create a **culture of call** by calling, training and nurturing new leaders for Mennonite
156 Church USA.
- 157 • We honor the **dignity and value of all** people, denouncing racism, aiming for one new
158 humanity in Christ.
- 159 • We build **global connections** by fostering and developing partnerships with the broader body
160 of Christ around the world.

161
162 While *Vision: Healing and Hope* and the four stated priorities are very helpful in pointing a direction, the
163 denomination will be better able to mobilize its resources if another level of planning is undertaken.
164 This level of planning involves identifying several strategies and action plans for each of the four major
165 priorities.

166 For each biennium, a planning process should be undertaken to identify strategies to address each of
167 these four stated priorities. This every two year process should include:

- 168 ➤ a review of the progress that has been made during the past biennium
- 169 ➤ prayerful consideration of what the Spirit saying to us
- 170 ➤ identifying at least two to three strategies for each of the major priorities
- 171 ➤ all of the stakeholders, i.e. conference and Racial/Ethnic leaders, Executive Board,
172 denominational staff leaders, churchwide agency leaders

173 One option is for this process to begin at the biennial delegate sessions in Pittsburgh in July 2011, and
174 with further processing, be concluded by October 2011. This further processing might be done by
175 planning groups identified for each of the four stated priorities. Their recommendations could then be
176 considered from a more comprehensive perspective to determine a plan for the biennium that is both
177 strategic and realistic.

178 Action plans for each of the strategies must be developed. This should involve all stakeholders
179 (including conferences and churchwide program agencies) identifying how they individually and
180 collectively will contribute. Throughout the biennium, periodic meetings should take place with these
181 stakeholders to review progress as well as the status of each participant's contribution.

182 A planning process such as this can identify strategies and action plans around which alignment of
183 efforts and resources can occur. Broad participation in both identifying and implementing the biennial
184 plan can significantly improve the potential for realizing *Vision: Healing and Hope* and the four major
185 priorities that have been identified.

186 **Recommendations:**

- 187 1. **That a process for identifying more focused strategies for each major priority area be**
188 **developed:**
 - 189 a. **That this process involve key stakeholders, including conferences, Racial/Ethnic groups,**
190 **program agencies, Executive Board, etc.**

- 191 **b. That each of the areas of the church, including churchwide program agencies and**
192 **conferences, identify how they individually and corporately will contribute to carrying out**
193 **the strategies.**
- 194 **2. That this biennial planning process be implemented in preparation for the 2011-2013**
195 **biennium.**
- 196 **3. That we build on the very positive collaborative efforts of Executive Leadership and the**
197 **program agencies by using a modified process to identify more focused strategies for the**
198 **2009-2011 biennium.**
- 199

200 **Denominational Level Activities and Role of Conferences**

201 Denominational level activities must add value to those it serves or they will be seen as irrelevant and
202 the denominational funding base (contributions) will erode.

203 In order to add value, the primary customers of denominational level activities must be clarified. One
204 might say that both congregations and conferences have been the focus of denominational level
205 resources, but in reality, conferences have essentially been left out of the equation. A common theme
206 among conference leaders has been one of feeling out of the loop of denominational decision making.
207 The Constituency Leaders Council provides a forum for interactions among conferences and
208 Racial/Ethnic groups, but except for developing membership guidelines, has had limited impact on
209 denominational level decisions.

210 I would suggest that this has occurred in part due to structure and in part due to the following
211 assumptions:

- 212 • *We can't be expected to relate to 21 different conferences and three recognized*
213 *Racial/Ethnic groups.*
- 214 • *Conferences need to get their act together and "speak with one voice".*
- 215 • *Why do we really need 21 conferences?*

216 There has been significant frustration at both the denominational and conference levels. Individual
217 conferences are frustrated that little denominational effort has been invested in developing a
218 relationship with them and in understanding their context. What happens at the denominational level
219 often seems irrelevant to conferences, with the exception of resources related to pastoral searches. The
220 following comment expresses the perspective of more than one conference leader. "I try to keep an ear
221 to the ground to hear what is happening at the denominational level so that I am not blindsided by what
222 is coming down." Some conferences have decided to look outside of the denomination for resources.

223 During 2009 there have been positive steps. One example of this was the Executive Director Search
224 process. The committee members included conference leaders. The search committee sought input
225 widely and the announcement of the new Executive Director was preceded by conference calls with
226 conference representatives.

227 A key role of the Executive Board and denominational level activity is that of supporting congregations in
228 living out *Vision: Healing and Hope*. This is accomplished by supporting conferences in their role of
229 resourcing congregations. Focusing denominational level efforts primarily on congregations only

230 undermines the role of the conference. In order to identify resources that will facilitate the work of
231 conferences, conferences themselves must be integrally involved in this ongoing conversation.

232 As we envision denominational level functions in the future, it may be helpful to consider the following:

- 233 ➤ Denominational level functions are likely to emphasize networking, facilitating relationships and
234 sharing of resources and as a result will need to be adaptable and close to the action.
- 235 ➤ There will be less interest in building institutions.
- 236 ➤ There may well be fewer denominational level staff in 5 years due to a refocusing of
237 denominational resources. Some of these may be located in regional settings.
- 238 ➤ Relationships are important to us and face-to-face interactions are essential to building trust.

239 While maintaining the progress that has been made in assuring balanced gender and Racial/Ethnic
240 participation, conferences must also become a much more integral part of the denomination. The
241 involvement of conferences must begin at the Executive Board level. In light of the need for
242 conferences and Racial/Ethnic groups to be integrally involved in planning and decision making, the
243 Constituency Leaders Council is one forum for these discussions.

244 As mentioned earlier, conferences and Racial/Ethnic groups should be integrally involved in the
245 development of biennial strategies and action plans. Consideration should be given to involving
246 conferences in processing potential resolutions that are considered by the Delegate Assembly. A more
247 visible and integral role for conferences and Racial/Ethnic groups at the Delegate Session should be
248 considered.

249 **Recommendations:**

- 250 **1. That the Executive Board be reconfigured to include the following members:**
 - 251 **a. The moderator and moderator-elect**
 - 252 **b. Five members appointed by the conferences, potentially through the Constituency**
253 **Leaders Council.**
 - 254 **c. One member appointed by each recognized Racial/Ethnic group. As additional**
255 **Racial/Ethnic groups are recognized, they should have the opportunity to be represented**
256 **on Executive Board.**
 - 257 **d. Five at-large board members elected by the delegate body.**
- 258 **2. That denominational level leaders place priority on the function of supporting each**
259 **conference in their role of resourcing congregations.**
- 260 **3. That denominational leaders collaborate with conference leaders to identify and shape**
261 **denominational level activities and decisions.**

262 **Realignment of Denominational Level Functions/Agencies**

264 *The vision that emerges is one of unified efforts aligned around carrying out Vision: Healing and*
265 *Hope and by working together to live out the four stated priorities. Some denominational level*
266 *functions would be incorporated into one denominational office structure. Other functions/agencies*
267 *and their boards would carry out their business plans but with even closer connections to the*
268 *denomination through increased sharing of support services. Their participation in the support of*
269 *the denomination's initiatives will be clearer as a result of adding another level of denominational*

270 *planning. This planning process includes the involvement of conferences and other key stakeholders*
271 *in both identifying and implementing the biennial plans.*

272 The current organization of denominational level functions adds to a perceived lack of value and results
273 in fragmentation of denominational identity. Accessing denominational level resources can be
274 experienced as a maze which is difficult and at times impossible to negotiate. The current arrangement
275 of functions limits the potential for cooperation and integration of efforts. It also makes it more difficult
276 to make easily understandable and accessible resources available to conferences (and congregations.)

277 In addition, the current structure inherently contributes to working in silos and limited collaboration at
278 best, and at worst, competition for resources and turf protection. This has resulted in some confusion
279 about the role of Executive Leadership and Mission Network. The current structure also perpetuates the
280 sense that the denomination is made up of many individual parts but is not a cohesive whole.

281 During the last year, the One Voice Team (composed of Executive Leadership and Mission Network
282 leaders) has taken important steps toward greater collaboration and shared staffing. In addition, some
283 finance functions are shared and integration of communications is in process.

284 Another major recommendation is to realign denominational level functions or agencies. In considering
285 realignment, it is essential to understand key differences in these agencies, particularly in their business
286 models.

287 Each program agency must be closely identified with the denomination and its purposes. However, the
288 way that they are connected to denominational level structures may vary. Reviewing the business
289 models of the current program agencies may provide potential clues for increasing alignment at the
290 denominational level.

291 Some program agencies are almost exclusively funded by contributions while others have a business
292 model that relies primarily on fees or sales of products and services. The key understanding is that the
293 customers of each group and therefore the focus of the agency's activities are (or should be) driven by
294 the business model:

295 1. For those functions or agencies dependent on contributions, the primary focus of
296 denominational level activities needs to be on supporting *Vision: Healing and Hope*. This is
297 accomplished by seeing conferences as the means for supporting the development of vital
298 congregations who are increasingly joining God's work in the world. To have strong
299 congregations, we need conferences that are engaged in a meaningful way in resourcing
300 congregations.

301 When each function or agency is dependent on contributions from a shared constituency, the
302 natural tendency is expand services to compete for that support. There is less incentive to
303 collaborate with other agencies that seek similar dollars since one's own contributions might be
304 reduced.

305 2. For the agencies that are primarily funded by dues from member organizations or from sales of
306 products and services, the primary customer focus must be on meeting the needs of their
307 customers who are paying dues or buying their products or services. The financial margins that

308 are generated may help provide financial support to the denomination and at the same time the
309 missions of these agencies support and extend the work of the denomination. In addition, in-
310 kind resources are often available to further support the work of the denomination.

311 The functions of agencies primarily funded by contributions would be integrated into a
312 denominational office. Even though they would be organized into several departments or
313 divisions, they would operate in an integrated fashion under the leadership of the Executive
314 Director of Mennonite Church USA.

315 Those functions or agencies that are funded primarily through fees or sales of products and
316 services would be churchwide program agencies, with expectations similar to those outlined
317 later in the Churchwide Program Agency section.

318 In addition, there is significant potential for further integration of support services including Human
319 Resources, Finances, Communications, Information Technology and Development. These support
320 services would be shared within the denominational office. The goal is to share as many of the support
321 services as possible across the closely related agencies as well. Examples that should be seriously
322 considered are Information Technology, Human Resources, Communications, etc. This will be described
323 in more detail later.

324 It may be helpful to describe current program agencies and how this realignment would impact each of
325 them. The potential status of other functions or agencies will be addressed as well.

326 **Executive Board**

327 At the Executive Board level, there is a need to further differentiate the role of the board from the role
328 of the Executive Director and staff.

329 **Recommendations:**

- 330 **1. That the Executive Board and the incoming Executive Director clarify in writing their**
331 **respective roles with the goal of minimizing overlap between setting policy and operations.**
- 332 **2. That these understandings be reviewed by the Executive Board and the Executive Director at**
333 **least every six months to determine whether modifications are needed.**

334

335 **Executive Leadership and Mennonite Mission Network**

336 During the past year, as a part of the One Voice initiative, more of the functions of Executive Leadership
337 and Mennonite Mission Network have been coordinated. Increasingly, support functions are being
338 merged or shared. These efforts are very positive and have set the stage for further integration.

339 Even with increased collaboration, maintaining separate structures will maintain the potential for
340 competition and limit the amount of coordination that can occur. In order to increase alignment and
341 achieve a unified identity, further integration of Executive Leadership and Mennonite Mission Network
342 is desirable and even necessary.

343 With this integration, the Executive Director of Mennonite Church USA should provide leadership for
344 developing and articulating the denomination's missional understandings. Our strategy for all missional

345 activities, including overseas missions, must be informed by and integrated with our commitment to
346 respond in faithfulness to what God is doing in the world.

347 We must plan carefully for how funding for missional activity, including overseas missions, will be
348 maintained and even strengthened. In addition, cooperation with conference sponsored mission
349 agencies must continue and even expand as appropriate.

350 **Integration of Executive Leadership and Mennonite Mission Network**

351 What is presently Executive Leadership and Mennonite Mission Network would be combined into a
352 denominational office under the leadership of the Executive Director of Mennonite Church USA. Other
353 functions to be included in the denominational office will be identified later in this report. Support
354 services would be fully integrated. Fundraising will also be integrated although fund raising for missions
355 and for specific projects will certainly continue as deemed appropriate.

356 A transition period will provide opportunity to plan well so that key strengths are maintained. As the full
357 integration of support services is completed, there will be additional learnings about how integration of
358 functions can best be accomplished without losing key strengths.

359 **Recommendations:**

- 360 **1. That leadership for developing and coordinating the denomination's missional understandings**
361 **be lodged with the Executive Director of Mennonite Church USA.**
- 362 **2. That preparation for integrating Executive Leadership and Mennonite Mission Network into a**
363 **denominational office begin as soon as possible and include the following:**
 - 364 **a. During this transition period, the Mennonite Mission Network Board will continue to**
365 **function.**
 - 366 **b. The CEO/Executive Director of Mennonite Mission Network will:**
 - 367 **i. Continue to report to the Mennonite Mission Network board during this transition**
368 **period.**
 - 369 **ii. Immediately begin serving as a member of the leadership team of the Executive**
370 **Director of Mennonite Church USA.**
 - 371 **c. That all of the support functions of Mennonite Mission Network and Executive Leadership**
372 **be integrated under the overall supervision of the Executive Director of Mennonite Church**
373 **USA.**
 - 374 **d. A name or descriptor (other than Executive Leadership) be identified for the**
375 **denominational office that supports a unified denominational identity. This may simply**
376 **be "Mennonite Church USA" or "Mennonite Church USA Offices".**
 - 377 **e. That the Executive Board and Mission Network board and their staff leaders, with input**
378 **from conferences, engage in a planning process to:**
 - 379 **i. Determine the best means for:**
 - 380 **1. Maintaining an emphasis on missions**
 - 381 **2. Maintaining and/or increasing funding after integration.**
 - 382 **ii. Determine whether the brand of Mennonite Mission Network should be maintained**
383 **or modified.**
 - 384 **iii. Determine if the appointment of several Mennonite Mission Network board members**
385 **to the Executive Board for up to three years after the integration would facilitate the**
386 **transition.**
- 387 **3. That the integration of Executive Leadership and Mennonite Mission Network functions and**
388 **staff be accomplished not later than February 2012 at which time:**

- 389 a. **The Mennonite Mission Network board will cease to exist as a governing board. (One**
390 **option is for it to transition to an advisory board if that is determined to be the best**
391 **model.)**
- 392 b. **The activities of Mennonite Mission Network will be integrated into the denominational**
393 **office under the leadership of the Executive Director of Mennonite Church USA.**
- 394 c. **The CEO/Executive Director of Mennonite Mission Network will report to the Executive**
395 **Director of Mennonite Church USA and the title will be modified as determined by the**
396 **planning process.**

397

398 **Integration of Support Services**

399 The integration of support services deserves further comment. Although full integration of support
400 services is recommended for what is now Executive Leadership and Mission Network, the other
401 churchwide program agencies must all participate to the extent possible in sharing and/or integrating
402 support functions, including Information Technology, Human Resources, Communications, Finance,
403 Development, etc.

404 Of particular note is the wide variation in Human Resources policies and level of expertise across
405 Executive Leadership and churchwide program agencies. Even though all agencies may not be able to
406 fully integrate their Human Resources and other support departments, there is much to be gained by
407 greatly extending the integration and/or collaboration of support services. Just because full integration
408 may not be feasible for one agency does not mean that partial integration or sharing should not be
409 accomplished.

410 **Recommendation:**

411 **That the integration of support services within Executive Leadership and Mission Network be**
412 **extended to include churchwide program agencies to the extent possible.**

413

414 **Executive Director's Leadership Team**

415 The Executive Director should consider, as a part of a leadership team, at least some of the persons who
416 are associated with the four key priorities identified by Mennonite Church USA. For example, this may
417 include the Director of Intercultural Relations as well as the Director of Denominational Ministry. As
418 noted above, this leadership team would include the CEO/Executive Director of Mennonite Mission
419 Network. It would likely include person(s) responsible for overseeing churchwide operations and also
420 denominational support services as noted below.

421 **Director of Churchwide Operations**

422 The past Executive Leadership model was very much of a shared leadership model between the
423 Executive Director and the Associate Executive Director. In its "one board" initiative, the Executive
424 Board proposal included the establishment of a position of Churchwide Operations Officer.

425 In this review I started with no assumptions about the validity of such a role. As the
426 recommendations regarding alignment have taken shape, I believe that there is a need for someone
427 besides the Executive Director to both direct the implementation of those recommendations and to
428 ensure the ongoing coordination and alignment of the denominational level operations.

429 Rather than use the term “officer” which is more commonly associated with a corporate model, I
430 suggest using the title Director of Churchwide Operations. This position would take the place of the
431 current Associate Executive Director position in Executive Leadership. An outline of potential
432 responsibilities for the Director of Churchwide Operations is included in Attachment A.

433 Director of Denominational Support Services

434 A second position with a possible title of Director of Denominational Support Services would work
435 closely with the Director of Churchwide Operations in overseeing key support functions and in the
436 implementation and ongoing coordination of the support services integration across the program
437 agencies.

438 This position would replace the current Director of Administration and Advancement position in
439 Executive Leadership. Potential responsibilities of a Director of Denominational Support Services
440 are described in Attachment B.

441 **Churchwide Program Agencies**

442 The category of Churchwide Program Agencies would continue with some realignment. The agencies
443 that are a part of this grouping will have a business plan that where the primary source of revenue is
444 sales of products and services to customers or fees from member organizations. These agencies would
445 continue to have their agency boards with the primary customer focus of operating a viable “business.”

446 Although operating as a business, churchwide program agencies are committed to identifying with and
447 supporting denominational activities and initiatives by:

- 448 ➤ Providing products and services congruent with and supportive of Anabaptist and Mennonite
449 Church USA values and priorities.
- 450 ➤ Identifying with Mennonite Church USA in their branding and daily operations
- 451 ➤ Participating in the identification of biennial denominational strategies.
- 452 ➤ Supporting the implementation of those strategies in measureable ways.
- 453 ➤ Seeking input and guidance from the denominational office and conferences related to the
454 development of the program agencies strategic plans and the design of its products and
455 services.
- 456 ➤ Committing to ongoing collaboration with the denominational office and other churchwide
457 program agencies to develop and maintain a seamless array of services that are easily accessible
458 by conferences, congregations and individual members.
- 459 ➤ Committing to participate in the integration of denominational level support services and to
460 extend that participation at every opportunity.
- 461 ➤ Negotiating a mutually agreeable annual contribution, including financial and/or in-kind
462 resources, to denominational level operations and initiatives.

463 The current level of trust and collaboration among Executive Leadership and the churchwide program
464 agencies is unprecedented. This includes the sharing of budgets and strategic plans. The next level
465 must include specific commitments of resources (financial, in-kind and operational) in support of
466 denominational level initiatives. There are several components to this:

- 467 1. Ensure that the denomination (Executive Board and the denominational office) with the
468 involvement of conferences and churchwide program agencies and other key stakeholders has a
469 strategic planning process (outlined previously) to identify the denominational strategic
470 priorities for each biennium.
- 471 2. As one of the churchwide program agency commitments mentioned above, Director of
472 Churchwide Operations will work with the leaders of the churchwide program agencies to
473 identify their specific contribution (funds, in-kind contribution and agency activities) that will
474 support the implementation of the churchwide priorities. This presumes that churchwide
475 agency contributions to these initiatives will be meaningful, realistic and measureable and be
476 integrated with other resources to implement the priorities.
- 477 3. All of the denomination's efforts to implement the identified churchwide biennial priorities will
478 be monitored and modified as needed throughout the biennium.

479 This process depends on the identification of clear denominational priorities through a credible strategic
480 planning process. Attempts to control or approve the budgets and/or strategic plans of churchwide
481 program agencies will not further the alignment efforts. The bottom line here is that churchwide
482 program agencies must maintain a viable business model or they will not be able to be a resource to the
483 denomination. They also must identify with the denomination and further its purposes through the
484 products and services they provide and even more directly by contributing in specified ways to the
485 biennial plans of the denomination.

486 **Mennonite Education Agency**

487 Mennonite Education Agency's mission is to strengthen the life, witness and identity of Mennonite
488 Church USA through education. The agency provides leadership to the educational agenda of the
489 church in partnership with the church and educational institutions of all levels.

490 The recommendation here is to refocus Mennonite Education Agency's mission. Mennonite Education
491 Agency would be transformed into an association of Mennonite schools (including K-12, higher
492 education and seminaries) borrowing from the Mennonite Health Services Alliance model as
493 appropriate. Mennonite Education Agency would remain a churchwide program agency.

494 The institutions of higher education would form a Higher Education Council similar to the existing
495 Mennonite Schools Council. Three members from each executive committee (Higher Education Council
496 and the Mennonite Schools Council) plus six Mennonite Church USA appointees would form the board
497 of the Association. The Association would have a covenant relationship with Mennonite Church USA.

498 Each of the colleges and seminary currently has a Statement of Arrangements with Mennonite
499 Education Agency. The Statement of Arrangements would be with the new Association and specifically
500 negotiated with a Commission on Sponsorship, composed of at least four denominational appointees on
501 the Association board plus one or more institutional board members.

502 The intent is to further strengthen the connection between the institutions of higher education and the
503 denomination. The Association should be involved in the biennial planning process, including leadership
504 development initiatives.

505 The existing programs/services that are congruent with an association would be retained. Other
506 programs and services, i.e. Hispanic Leadership Training would be coordinated by the denominational
507 office.

508 **Recommendations:**

- 509 **1. That Mennonite Education Agency be reconfigured into an association of Mennonite schools**
510 **(including K-12, higher education and seminaries).**
 - 511 **a. That a Higher Education Council be developed that is similar to its Mennonite Schools**
512 **Council counterpart.**
 - 513 **b. That three members of the Mennonite Schools Council Executive Committee and three**
514 **members of the Higher Education Council Executive Committee be members of the**
515 **Association's board along with six denominational appointees.**
 - 516 **c. That a Commission on Sponsorship (that includes at least four of the association's**
517 **denominational appointees) be appointed by the Association board to provide oversight**
518 **to the Statements of Arrangements that are developed with each institution of higher**
519 **education.**
 - 520 **d. That another name be considered that reflects its association function, i.e. Mennonite**
521 **Education Association or Mennonite Education Services Alliance.**
 - 522 **e. That the Association develop a covenant with Mennonite Church USA.**
- 523 **2. That the Mennonite Education Agency's current programs and initiatives that are not**
524 **congruent with an association of schools be transferred to the denominational office.**
- 525 **3. That the Mennonite Education Agency continue with its plans to move to the planned**
526 **denominational offices in Elkhart or to the MMA site in Goshen.**
- 527 **4. That the Mennonite Education Agency participate as fully as possible in the integrated support**
528 **services network.**
- 529 **5. As two associations serving church related organizations, that opportunities for mutual**
530 **collaboration and sharing of services be explored with Mennonite Health Services Alliance.**
- 531 **6. That additional mechanisms be identified for strengthening the ties of the institutions**
532 **(especially higher education) to the denomination either through the new association or**
533 **otherwise.**

534
535 **Mennonite Publishing Network**

536 Mennonite Publishing Network's business model is based primarily on the sale of products. Some of its
537 customers are Mennonite Church USA congregations who purchase Sunday School materials and other
538 resources. Other customers are individuals and congregations outside of Mennonite Church USA. This
539 is a legacy operation that is taking very positive steps to reinvent itself and to implement a business plan
540 that has the potential to increase its financial viability while retaining its usefulness to Mennonite
541 Church USA and Mennonite Church Canada. There are very preliminary conversations with Third Way
542 Media exploring the potential for collaboration.

543 As a churchwide program agency of both Mennonite Church USA and of Mennonite Church Canada,
544 there is the potential for the denominations to maintain and even continue to add "unfunded
545 mandates" that may make it more difficult for the Publishing Network financially. Care needs to be
546 taken to avoid saddling MPN with functions unrelated to its business. As a churchwide program agency,
547 MPN is expected to collaborate with the denominational office in identifying and providing resources for
548 realizing the biennial strategic priorities.

549 It should be underscored that the continued viability of Mennonite Publishing Network is not assumed.
550 Implementing its business plan and modifying it as needed may result in a viable ongoing operation.

551 **Recommendations:**

- 552 **1. That Mennonite Publishing Network take into account its partnership with Mennonite Church**
553 **Canada as it responds to recommendations for enhancing its work with Mennonite Church USA.**
- 554 **2. That in its relationship with Mennonite Church USA, Mennonite Publishing Network continue**
555 **its designation as a churchwide program agency recognizing that Mennonite Publishing**
556 **Network also has a similar status in its relationship with Mennonite Church Canada.**
- 557 **3. That Mennonite Publishing Network focus its energies on implementing its strategic priorities**
558 **and business plan with modifications as needed.**
 - 559 **a. Participate as fully as possible in the shared support services.**
 - 560 **b. Intentionally take steps during the next two years to locate a contingent of Mennonite**
561 **Publishing Network staff in the central denominational office in Elkhart.**
- 562 **4. That Mennonite Publishing Network leaders and Mennonite Church USA leaders:**
 - 563 **a. Review Mennonite Publishing Network’s current functions to determine whether any**
564 **functions should be returned to the denominational office.**
 - 565 **b. Avoid directing “unfunded mandates” to Mennonite Publishing Network other than**
566 **collaboratively developed Mennonite Publishing Network contributions to support**
567 **implementing denominational biennial strategic priorities.**
 - 568 **c. Increase the collaborative connections with denominational leaders and conferences.**
- 569 **5. That Mennonite Publishing Network and Third Way Media consider potential collaboration**
570 **opportunities.**

571
572 **Mennonite Mutual Aid**

573 MMA’s business model is highly dependent on the sale of products and services to institutions,
574 businesses, congregations and individuals. MMA will need to continue to give significant attention to
575 adapting its business model to reflect significant changes taking place in healthcare and financial
576 services. MMA should continue to relate to the denomination as a churchwide program agency.

577 The potential change in healthcare in the United States is likely to require significant changes for
578 Mennonite Mutual Aid. Stresses in the financial services market result in both challenges and
579 opportunities. The integration of Mennonite Financial provides a platform for integrating banking
580 services into the range of financial services offerings.

581 MMA also has resources to bring to the denomination as evidenced by its involvement in the Corinthian
582 Plan. In addition, integrating the mission of Church Extension Services will provide an expanded
583 platform for financing building acquisitions of emerging congregations.

584 **Recommendations:**

- 585 **1. That Mennonite Mutual Aid continue as a program agency of Mennonite Church USA.**
- 586 **2. That the denomination provide guidance on stewardship education priorities that includes**
587 **input from conferences and Racial/Ethnic groups.**
- 588 **3. That the new branding initiative of Mennonite Mutual Aid reflect its strong connection with**
589 **Mennonite Church USA.**
- 590 **4. That Mennonite Mutual Aid participate as fully as possible in the shared support services**
591 **coordinated by the denominational office.**

592 **5. That Mennonite Mutual Aid Church Relations Managers work with Mennonite Church USA**
593 **and the local conference to determine how they can best promote the denomination and**
594 **conference in each congregation they visit.**
595

596 **Related Recommendations**

597 **Mennonite Health Services Alliance**

598 The mission of Mennonite Health Services Alliance is to strengthen and extend Anabaptist health and
599 human services ministries in faithfully and effectively fulfilling their missions. The health and human
600 services agencies that are connected to various Anabaptist denominations are deeply involved in many
601 ways in God’s work in our world. Of the 74 organizations that are members of Mennonite Health
602 Services Alliance, 86% are affiliated with Mennonite Church USA.

603 With its restructuring six years ago, MHS Alliance has increased its ability to support the faith-based
604 missions of these organizations. MHS Alliance understands that faith-based organizations must be
605 meaningfully grounded in the community of faith in order to maintain and even enrich their faith-based
606 missions.

607 In its present relationship with Mennonite Church USA, MHS Alliance is classified in the category of
608 Other Churchwide Program Entities - neither a churchwide program agency nor one of the loosely
609 related “associated groups.” From the standpoint of Mennonite Church USA, a closer connection could
610 result in increased understanding that these ministries are an integral part of the church’s missional
611 activities. It could also increase access to MHS Alliance resources that may be of benefit to
612 congregations, conferences and related agencies. In addition, MHS Alliance leaders could contribute
613 meaningfully to developing and implementing churchwide strategies. A churchwide program agency
614 status would also set the stage for participation in the shared support services network.

615 There is currently interest at the MHS Alliance board level to pursue a deeper relationship within
616 Mennonite Church USA.

617 **Recommendations:**

- 618 **1. That discussions be pursued with the Mennonite Health Services Alliance board with the goal**
619 **of recognizing Mennonite Health Services Alliance as a churchwide program agency.**
- 620 **2. That Mennonite Health Services Alliance participate as fully as possible in the support services**
621 **shared by the denominational office and other churchwide program agencies.**
- 622 **3. That Mennonite Health Services Alliance move its Goshen office to the either the Elkhart site**
623 **or MMA site to further consolidate the location of program agencies.**

624 **Elkhart Office Building**

626 Comments about the construction of the Elkhart office building are widely varied. These include
627 questions about the size of the building, the planned location not being easily accessible by air travel,
628 whether the location should be in a larger city, several regional locations, etc. Very valid arguments can
629 be made for each opinion. Given the status of the project, it does not make sense to completely start
630 over and reconsider all of the assumptions.

631 It is assumed that some centralization of denominational level activities will continue for some time.
632 However, the number of centralized denominational office staff is not likely to increase and may even
633 be reduced in future years. It is likely that additional persons will be located in other locations to
634 facilitate collaboration with conferences.

635 Much work has been done to bring the building on the AMBS campus to fruition. Donations have been
636 received and pledges have been made. Funds have been invested in site and building planning. The
637 current plan involves potential of borrowing in order to begin the project and does not include an
638 endowment. It also includes more space than is currently needed.

639 **Recommendations:**

- 640 **1. Build only the amount of space necessary to serve current staffing levels of confirmed**
641 **occupants.**
- 642 **2. Ensure that the space is able to be flexibly adapted to meet future needs including expansion**
643 **options if necessary at some future time.**
- 644 **3. Ensure that funds for projected building costs plus endowment are received or committed**
645 **prior to beginning the project.**
646

647 ***The Mennonite***

648 *The Mennonite* is working diligently to adapt its business model. It has served an important function. In
649 the current climate, it is increasingly difficult to implement a viable business model.

650 Mennonite Church USA must be clear in articulating its core beliefs and official positions. Maintaining a
651 publication that is portrayed as the official voice but which is also independent contributes to confusion
652 about the denomination's stance on various issues. The recommendation here is for clarity and
653 assumes that with this action, paid subscriptions will likely discontinue and distribution of news will
654 increasingly be done through electronic formats.

655 **Recommendation:**

656 **That *The Mennonite* become the official publication of Mennonite Church USA and a part of the**
657 **denominational office communications department.**
658

659 **Church Extension Services (CES)**

660 Church Extension Services makes building loans to congregations who do not qualify for conventional
661 loans. The loans are made possible by investors who support the mission of CES. With limited
662 resources, Church Extension Services has maintained a very important mission which supports the
663 denomination's missional efforts. Structurally, the primary connection of CES has been to Executive
664 Leadership.

665 Upon review it appears that CES has the potential to expand its mission and operate more efficiently if it
666 can be connected or integrated with another part of the church which has expertise in this area. In
667 considering where CES might be located, Marty Lehman invited Larry Miller from Mennonite Mutual Aid
668 and Leroy Kauffman, chair of the CES Board, to explore ways that the CES mission might be maintained
669 and even expanded.

670 These discussions have progressed. A proposal for maintaining and expanding CES's mission by
671 integrating it into Mennonite Mutual Aid's Community Development Investments division and providing
672 access to additional funding resources was considered by the CES board in December. This proposal
673 includes a key role for current CES board members in providing ongoing oversight of unconventional
674 building loans to congregations. The CES board would like to consider a more detailed marketing plan
675 before taking official action on the proposal.

676 **Recommendation:**

677 **That the mission of Church Extension Services be expanded through connections with a church**
678 **related organization with related expertise and that this integration be completed not later than**
679 **June 30, 2010.**

680

681 **Newton Office**

682 The Newton office building consists of a complex of five or six separately deeded properties. It had
683 served as the General Conference of the Mennonite Church headquarters and, since 2001, as one of two
684 official headquarters for Mennonite Church USA.

685 During the past 8 years, the Newton site provided offices for Mennonite Church USA related staff
686 located in the Newton area. Total Mennonite Church USA related staff in the Newton office is
687 approximately 35. The space is inefficiently used. There is a potential buyer for the bookstore portion
688 of this building. Two other portions of the building are being considered by a potential tenant.

689 It is envisioned that Newton will continue to be an important location for denominational level staff.
690 However, maintaining the complex of buildings and designating Newton as one of two official
691 headquarters does not seem necessary.

692 **Recommendations:**

- 693 **1. Maintain office space in the Newton, Kansas area for Mennonite Church USA related staff.**
- 694 **2. Consider co-location of Mennonite Church USA related staff and Western District staff.**
- 695 **3. Take steps to sell the inefficiently used portions of the Main Street properties as that becomes**
696 **possible. If necessary, attempt to lease any unneeded space until it can be sold.**
- 697 **4. By 2011 the denomination should designate only one location as its official headquarters.**

698

699 **Resource Availability**

700 An interest in easy access to a wide variety of resources is a recurring theme. This includes access to
701 services provided by program agencies as well as expanding resources that are available on the
702 Mennonite Church USA website. A deliberate strategy to add value to conferences and conference
703 ministers and moderators, congregations and their pastors and other congregational leaders and
704 individuals listening to their needs for resources would well received.

705 **Recommendations:**

706 **Assign the Director of Denominational Support Services the tasks of:**

- 707 **1. Developing a process to identify the resources that are desired.**
- 708 **2. Expanding the resources that are available online based on stakeholder requests.**
- 709 **3. Improving access and content based on customer feedback.**
- 710 **4. Promoting the availability of the resources.**

711

712 **Denominational Participation at Conference Assemblies**

713 The past pattern has been for Executive Leadership and each of the churchwide program agencies to
714 send staff representatives to conference gatherings. Although attempts have been made to prepare a
715 coordinated presentation, there are significant questions about whether this is the best use of staff
716 time.

717 There is an emerging plan to look at each individual conference assembly and determine which
718 person(s) should represent all of the denominational level offices. Further consideration is needed to
719 develop this representation plan in conversation with leaders of each conference.

720

721 **Mennonite Men and Mennonite Women USA**

722 Mennonite Men and Mennonite Women USA are each playing an important role in the denomination.
723 However, they are only loosely connected to denominational structures. Their missions could benefit if
724 these programs were integrated into the denominational office.

725 **Recommendation:**

726 **Connect Mennonite Women USA and Mennonite Men organizationally to the denominational**
727 **office with supervision as determined by the Executive Director of Mennonite Church USA.**

728

729 **Youth**

730 Many persons commented about the importance of involving youth more intentionally in the life of the
731 church. Additionally there was a strong interest in inviting younger persons into positions of leadership
732 at the conference and denominational level. There were concerns that some congregations may hire a
733 youth pastor to take care of the youth without considering the congregation's ongoing responsibility.
734 There is a need to provide Anabaptist grounding for youth pastors. For some youth pastors, the
735 denomination is not on their radar. It is recommended that these issues be considered in the biennial
736 planning process.

738 **Director of Churchwide Operations (Draft)**

- 739 1. Oversee the functions of church relations, communications, development and convention
740 planning.
- 741 2. Serve as the primary connection with churchwide program agency leaders:
742 a. Ensure that churchwide program agency leaders are included in denominational strategic
743 planning process.
744 b. Work with churchwide program agency leaders to identify their individual and collective
745 contribution to churchwide initiatives and to monitor results.
746 c. Meet at least quarterly with all program agency CEOs to review commitments, status of
747 priorities and shared support services.
- 748 3. Recommend further alignment initiatives to create more effective and efficient denominational
749 level activities, add value to conferences and ultimately to congregations.
- 750 4. Assist the Executive Director in creating a nimble organization.
- 751 5. Identify and pursue opportunities to facilitate increased collaboration and/or integration within
752 the denominational office, churchwide program agencies and beyond. This may take the form of:
753 a. Recommending consideration of shared and/or integrated support services.
754 b. Invitations to join together to purchase services from outside vendors, i.e. payroll.
755 c. Expansion of joint contracting with outside vendors for services, i.e. payroll.
756 d. Inviting churchwide program agencies and other related organizations to consider the use of
757 services provided by denominationally related agencies, i.e. publishing, banking.
- 758 6. Coordinate the biennial planning process as requested by the Executive Director.
- 759 7. Serve as Acting Executive Director in the absence of the Executive Director.
- 760 8. Assume any additional responsibilities assigned by the Executive Director of Mennonite
761 Church USA.

762 Responsible to the Executive Director of Mennonite Church USA.

763 Appointed by the Executive Director of Mennonite Church USA and affirmed by the Executive Board.

764 Attachment B

765 **Director of Denominational Support Services (Draft)**

- 766 1. Oversee the functions of Information Technology, Human Resources and Finance.
- 767 2. Ensure that shared/integrated support services are efficiently and effectively meeting the needs
- 768 of the agencies involved.
- 769 3. Oversee development and maintenance of a seamless array of easily accessible resources for
- 770 various customers, i.e. agencies, conferences, congregations and individuals.
- 771 4. Coordinate the expansion of resources available on the Mennonite Church USA website by:
- 772 a. Developing a process to identify the resources that are desired.
- 773 b. Expanding the resources that are available online based on stakeholder requests.
- 774 c. Improving access and content based on customer feedback.
- 775 d. Promoting the availability of the resources.
- 776 5. Oversee development and monitoring of the budget for the denominational office.
- 777 6. Support the Director of Churchwide Operations in implementing and maintaining shared
- 778 support services.
- 779 7. Assume other duties as assigned.

780 Appointed by and responsible to the Executive Director of Mennonite Church USA