

CENTER FOR RELIGION AND CIVIC CULTURE
CECIL MURRAY CENTER FOR COMMUNITY ENGAGEMENT

COMMUNITY TRANSFORMATION

Outlining the Process of Change



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Foreword

The True Process of Change

At the USC Center for Religion and Civic Culture (CRCC), we look at the efforts that funders, government agencies and other organizations make toward the goal of improving communities. We are driven by the question: How do you unlock the potential within people, organizations and systems so that they can fulfill their mission and realize greater impact?

One challenge of working on this question is that people are often good at describing what they aspire to be, but flounder when describing what they truly are.

Rev. Cecil Murray came to CRCC to "pass the mantle" of faith-based community development leadership at the same time that we were forming leadership development programs for other communities. We realized that many different types of people came into these leadership trainings. Some knew where they were headed and just needed some skills and opportunities to help them realize their goals. Others lacked direction or an organizational context to create high-impact organizations, but nevertheless could leave a training with slightly better skills, a bit more resourcing and networking, and a somewhat broader perspective on their work.

A lot of people fell somewhere between these two groups. We saw that if the members of this middle cohort could bridge the chasm between their aspirations and the realities of where they currently are, they could make good into great.¹

For this group, the main impediment to becoming an agent of community transformation was not a lack of vision, personal drive or organizational knowledge. It was the reality that working toward the goal of transformative change requires a scary leap—in fact many scary leaps—into the unknown.

These leaps are scary because there are no guarantees that they will be rewarded with success. We recognized that people at this stage, therefore, need somebody to accompany them as they take those leaps—not someone to lead (or leap) for them or to motivate others on their behalf. They need someone who has done the integrative work to harmonize their capacities with their vision and who has walked their own path as a leader. They need someone invested in their success without a personal or financial stake in the outcome.

In other words, we realized that the way to release the untapped transformative potential in that middle group of people in our programs was to accompany them through the process of inward reflection and outward engagement. This would take place not in a classroom setting, but in the resource-rich, talent-rich and opportunity-rich environments where their leadership could take root and blossom. Thus, the Murray Center reoriented our work toward building organizations and leaders from the inside out, embedding ourselves within their structures for deep, accompanied engagement as they navigated the small and large challenges of organizational transformation.

As we formalized this process of accompaniment for the Community Church Transformation Project (CCTP), we realized that it entails an interesting tension between hubris and humility—both for the embedded party and the leadership within transforming organizations. As the embedded party, we acknowledge that we have done this work and walked this path before. Simultaneously, we affirm that the organizational leader will experience this process in a way that is unique to their circumstances and aspirations. Our job is to facilitate their reflection, coach them through their challenges and offer perspective as well as experience where it can be instructive. It is a delicate balance—perhaps more like a dance.

¹ See, for example, Jim C. Collins, *Good to Great: Why Some Companies Makes the Leap...and Others Don't*. HarperBusiness 2011.

This process of accompanying organizations and leaders on the journey to becoming their better selves is part of our contribution to a world where positive social change is possible—in the same way that religious movements, at their best, offer holistic ways to help people, build communities and create better organizations. We take seasoned, trustworthy leaders who understand the cultural context and have a track record of doing things that many of these groups aspire to, and say, "We will make ourselves humbly available to walk next to you as you figure out how you can be the best version of what you want to be."

If we want to make organizations work better for everyone, we have to be realistic about the time, deliberation and determination that are required to make it happen. We hope that this report is a clear representation of the process of—and true investment needed to make—meaningful, sustainable change.

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Introduction

Innovation Labs for Congregational Vitality and Community Change

Imagine if a church held a gala to raise money for programs to help improve the lives of its neighbors, and everyone in the neighborhood turned their yards and driveways into a party zone to help the church. That is exactly what happened when Centro de Vida Victoriosa, a growing Pentecostal church in East Los Angeles, held a fundraiser for its nonprofit community-development corporation (CDC). Families in the houses surrounding the church set up barbeque grills along the sidewalk to prepare food for visitors to the church. Local residents even volunteered to park cars when the church's parking lot overflowed.

“This is what community buy-in looks like,” says Rev. Frank Jackson, a contributing fellow with the USC Cecil Murray Center for Community Engagement.

Centro de Vida Victoriosa is one of six churches that the Murray Center worked with through the Community Church Transformation Project (CCTP), an intensive two-year process of accompaniment and consultation that aimed to help faith groups build strong, civic-minded organizations that can serve their communities more effectively.

CCTP builds on a decade-long series of Murray Center training programs. These “in class” programs offered a grounding in civic engagement and community development work to the leaders of hundreds of congregations and faith organizations across Greater Los Angeles.

In the low- to moderate-income communities in which the Murray Center's partner congregations work, faith groups have a tremendous amount of social capital and can play a significant role in responding to issues such as economic inequality, racism and violence. Alumni of the Murray Center's training programs have launched or expanded many projects, from after-school sports and feeding programs for at-risk youth to financial literacy initiatives tailored for the needs of particular communities.

Yet, during its ten years of instruction, the Murray Center team found that the capacity to transform ideas into fundable and successful programs was rare, and often required more than classroom knowledge. CCTP allowed the team to work as on-site consultants rather than as classroom instructors with six congregations that were poised to do transformative work for their communities. Over the course of the project, the Murray Center helped these faith groups become learning organizations, capable of an ongoing process of reflection that would enhance their prospects for success. This consultative role required the Murray Center team to accompany the organizations' leaders as they learned to think critically about their goals and assess the needs of their congregations, organizations and communities.

The following report—geared for anyone who seeks to transform communities, from congregants to faith leaders to funders—shares the process, challenges and lessons of the project. We will introduce the six participating congregations, explain how a church can structure its community development ministry and describe the process that each CDC went through during the project. We call this process the “Whitlock Method,” for Rev. Mark Whitlock, former executive director of the Murray Center and the lead consultant for the project. Finally, we discuss some of the challenges that congregations can face in their community development efforts and offer recommendations for organizations and funders.

If an organization commits to this process of ongoing learning, it can also produce the goodwill and vitality that Centro de Vida Victoriosa has created within and beyond the four walls of the church.

Participants in the Community Church Transformation Project

Each of the six participants in CCTP brought their unique histories, challenges and aspirations to their work with the Murray Center team. Some organizations had a long track record of community engagement, while others were just learning how to structure their work. Some fully embraced the opportunity to work with a consultant, while others engaged with the Murray Center team for specific issues. The Murray Center team of consultants and representatives of all six churches—including pastors, leaders and personnel—were interviewed about the CCTP process.

Two organizations—West Angeles and Centro de Vida Victoriosa—were especially adept in their acquisition of the skills and knowledge we hoped to transmit through this project. Yet, to some degree, every organization evinced the kind of transformation that we believe is possible for any group that is truly committed to becoming an agent of positive social change in its community.

CENTRO DE VIDA VICTORIOSA, an Assemblies of God ministry in East Los Angeles, is led by Carlos and Amparo Rincon, who have served as the church's senior pastoral staff for 31 years. In 2015, the ministry launched Instituto de Avance Latino Community Development Corporation ("IDEAL CDC"), headed by Dorima Rincon-Hamilton. IDEAL CDC develops programming in the areas of economic and community development, civic engagement and public policy advocacy.

CITY OF REFUGE (COR) is pastored by Bishop Noel Jones and is a leader in community development in Gardena. Bishop Jones has a Pentecostal background, and COR is a member church of the Pentecostal Assemblies of the World. COR serves as a distribution hub for its annual multi-city food giveaway and job fair. Bishop Jones was featured in the television series "Preachers of L.A." and is the brother of Grace Jones, the actress and performer.

FAITHFUL CENTRAL BIBLE CHURCH is led by Bishop Kenneth C. Ulmer. The church is a cultural cornerstone in Inglewood and owns or has previously owned several key properties in the city, including the Great Western Forum, the original home of the Los Angeles Lakers. Pastors Steve Johnson and George Thompson are the chief financial officer and chief executive officer of the church and its CDC, Champions for Progress.

GREATER ZION CHURCH FAMILY, a Baptist church in Compton, is led by Pastor Michael J. T. Fisher. The Greater Zion Choir is a past winner of the nationwide "How Sweet the Sound" gospel competition. Pastor Fisher is the creator of the J.T. Foundation, Greater Zion's CDC, which has partnered with the City of Compton to provide after-school study opportunities for youth in the community.

NEW MOUNT PLEASANT MISSIONARY BAPTIST CHURCH is led by Pastor Phillip Lewis. New Mount is one of the oldest Baptist churches in the city of Inglewood. The church's founding pastor, the late Rev. Dr. M.M. Merriweather, headed New Mount's ministries for more than 60 years. Jazlyn Turner, granddaughter of Pastor Merriweather, serves as the executive director of the New Mount Pleasant CDC.

WEST ANGELES CHURCH OF GOD IN CHRIST is led by Bishop Charles E. Blake. West A is the largest Church of God in Christ (COGIC) church in the United States. Bishop Blake currently serves as COGIC's Presiding Bishop, overseeing 13,000 churches with roughly 6 million members worldwide. The West Angeles CDC was founded in the early 1990s, and owns 10 low- to moderate-income residential properties along Crenshaw Boulevard. Dr. Belinda Allen serves as the CDC's executive director.

Structuring the Work

Why Community Development Corporations

In Greater Los Angeles, the communities to which churches feel themselves called to minister are increasingly complex. Growing homeless populations, financial insecurity, rising rents and unemployment are coupled with an increasingly strained social support infrastructure. Gentrification is rapidly changing the ethnic, racial and cultural compositions of many neighborhoods.

These formidable challenges are motivating some churches to think creatively about how to reimagine their approach to ministry in order to flourish as houses of worship and effectively meet the needs of the broader communities that they wish to serve. Bishop Charles E. Blake, Sr. of West Angeles COGIC said, “[Churches] are beginning to understand that if you wish to attract membership in this day and time, you've got to show them how the church is relevant to the needs of the poor and the needs of the community.”

Historically, faith groups have funded their ministries to members and the surrounding community through tithing, offerings at worship services and the financial support of congregants who are able to provide additional resources. Larger churches with a strong institutional presence, capable leadership and a committed ministerial staff are usually successful in leveraging their influence and resources to sustain ministerial engagements beyond the four walls of the church.

Many churches have explored an alternative strategy to support their congregational services and community development efforts. Non-profit community development corporations, or CDCs, allow churches to leverage partnerships with secular actors such as foundations and corporations as well as government agencies to bolster their community development ministries. Such partnerships, managed through a CDC, allow leaders of the organization's programs to cultivate income sources beyond the tithes and individual offerings that typically fund church-based community ministries. These additional resources can help enable, empower and amplify community development activities, while still being rooted in the ministerial ethos of the church.

“I wanted to learn how I can help those that had the potential, but didn't have the connections,” says Michael Fisher, pastor of Greater Zion Church Family and founder of Greater Zion's CDC.

“I came into ministry not seeing it from the lens of spirituality, but from a community development lens. Because my study of the Word revealed to me that Jesus came here for community development. His whole thing was about feeding the hungry and making sure that those in need would not be overlooked by those who felt like they were privileged.”

The establishment of a CDC with 501(c)(3) status provides a structure for sustained community engagement and—eventually and ideally—an additional revenue stream for the church through rental income, fees for trainings or tuition from education programs, for example. Most institutional funders—including foundations, banks, and state and city agencies—generally require proof of 501(c)(3) nonprofit status and prefer to support organizations with a proven track record of fiscal responsibility, accountability, transparency and programming successes. In fact, some institutions’ charitable giving guidelines specifically state that they do not give to religious organizations unless they carry out programmatic activities that serve the community at large and qualify as a 501(c)(3).

That said, it is also important to know that undertaking the development and implementation of a CDC requires the CDC’s leaders to cultivate the vigilance and skill-level of a high-wire artist. Before a church makes the decision to create a CDC to support its ministries to congregants as well as the community at large, it must determine whether the theological underpinnings of the congregation will support collaborations with organizations and institutions that may share the congregation’s values but not their beliefs. This requires that subsequent questions, such as the following, are asked: What benefits does the congregation expect to see in its own ranks and in the community? Is there sufficient staffing capacity to support program management and fundraising? Are the vision and mission of the CDC ambitious enough to justify the effort yet defined tightly enough to seem reasonable to potential funders?

“Community development is a very ambiguous term,” says Steve Johnson, the chief financial officer for Faithful Central’s CDC. “You have to narrow your focus to get partners, to get engagement and to actually produce some real results. If I say I’m going to do financial education in the areas of budgeting and investing and in teaching kids how to become entrepreneurs, that’s pretty easy to wrap my head around.”

The big assumption in this theory of transformation is that if a church responds affirmatively to these questions, a CDC will benefit both the church and its community. Then the question becomes: What measurements will be gathered to test that theory?

Funders increasingly want to see results from their investments. As Whitlock said to one of the executive directors who participated in the project, “Funding sources want to feel good when they fund. They want to trust that you will make the organization look good. You have to make each other look good with this mutually beneficial relationship.” This requires that CDCs not only raise money and manage programs but also continually evaluate their programming and show how they are meeting needs in the community in measurable ways.

This ongoing process of measurement and evaluation can help organizations learn and grow. Yet becoming a “learning organization” can be difficult, particularly for faith groups that have long operated without any formal procedures to guarantee transparency, accountability and effective oversight. This is why ongoing assessment is at the core of the Community Church Transformation Project and the “Whitlock Method.”



The Whitlock Method

A Process of Accompaniment

Many people find it difficult to reveal their weaknesses, either to themselves or to others. This often uncomfortable process of taking inventory can be particularly difficult for the senior staff of CDCs based in large or historically significant churches that possess considerable credibility and authority within the communities they serve. The Murray Center team consistently found that leaders of these organizations were reluctant to disclose the difficulties they confront because they feared losing their hard-earned legitimacy.

Organizations that want to build their CDCs must recognize that the prerequisite for doing this organizational groundwork is a commitment to honesty and transparency. Organizations need to remain open to possibilities for growth and change, honestly looking at the challenges they face, along with their shortcomings and their strengths.

“The first and most important thing for my methodology was establishing trust,” says team leader Mark Whitlock. “You walk in the door and it’s, ‘What do you really want?’ And so, for the first few meetings, I would walk in by myself. I wouldn’t even really take a lot of notes. I would just sit down and talk: ‘Tell me about yourself. How’s it going?’”

The members of the Murray Center’s CCTP team were uniquely positioned for this undertaking with the six chosen churches as a result of their deep ties in L.A.’s Black and Brown church communities as well as their extensive knowledge of the history and challenges of faith-based community development in the city. Whitlock established a successful track record as the director of FAME Renaissance—the CDC of First AME Church—which raised \$400 million from foundations, corporations and government agencies to help rebuild neighborhoods in South Los Angeles after civil unrest ravaged that portion of the city in 1992. In addition, Whitlock’s credibility as the primary instructor for the Murray Center’s Faith Leaders Institute, as well as his experience in real estate development and banking, allowed him and the rest of his team to establish relationships with CCTP congregations as trustworthy and experienced interlocutors.

Even then, it took some time to unearth the real challenges within these organizations. “One CDC had lots of investments in rental properties and affordable housing,” Whitlock said, “but they had never thought to offer social services at any of those facilities because they didn’t know how to approach the foundations that would fund them. Another church was in over its head with a real estate deal and didn’t know how to get out. Things as basic as knowing how to write a grant proposal or come up with a reasonable vision for the organization—once they saw they could trust us, all of these needs became clear to everyone.”

Beyond his position of respect within the community, Whitlock also employed the techniques of pastoral care in his interactions with CCTP participants. Leaders of the community development organizations each had their personal struggles, whether a lack of confidence or too much ego. For others, the task was building their capacity to pursue funders beyond the faith-based world while staying grounded in their mission to the church.

This need for pastoral care came into sharp relief one day as Whitlock was ending an appointment with Dr. Belinda Allen, executive director of the West Angeles CDC. The two had been

discussing Allen’s upcoming presentation at a meeting where funders would also be present. Whitlock concluded their conversation with an additional teaching moment that emphasized the importance of accompaniment for his process. He told Allen, “You will not get a yes on everything, so get used to rejection. But do not let foundations put you in a box, nor let them diminish your enthusiasm. What you need is to build a larger relationship base that goes beyond sponsorship. Because you do have the anointing to help people, there the question is, ‘How will you help?’”

Allen was speechless for a few moments, then said, “My entire perspective has changed, and now I know why people come to West Angeles for help.”

Ultimately, a consultant’s goal is to help the organization flourish on its own, without the handholding of a consultant. Regardless of whether an organization enlists the help of an outside consultant, the process of assessing the state of the congregation, the community development organization and the community itself is indispensable—as is the environment of trust and honesty that makes those assessments possible.



Becoming a Learning Organization

A Three-Part Assessment

Once trust was established between the Murray Center team and participants in the Community Church Transformation Project, the team led its CDC partners through a three-part process, with each step having ongoing significance for the goal of establishing and sustaining a CDC:

1. Congregational assessment
2. Organizational assessment
3. Community assessment

Mark Whitlock's first questions to every executive director: "What are the one or two problems that we can solve together? How can we get that done?" The answers to those questions—often derived after several weeks or even a few months of discussion—were variable, but the process of arriving at answers was universal.

Through CCTP, the Murray Center hopes that each CDC will become a learning organization, "skilled at creating, acquiring and transferring knowledge, and at modifying its behavior to reflect new knowledge and insight."²



² David A. Garvin, "Building a Learning Organization," Harvard Business Review, July-August 1993.

³ Rev. Cecil Murray created the Murray Method during his 27 years as senior pastor at First AME Church in Los Angeles, which he built into a megachurch of 18,000 members.

1

CONGREGATIONAL ASSESSMENT

HOW DOES THE CHURCH WANT TO ENGAGE WITH THE WORLD?

The Murray Center team's first step was to help partner churches assess and reflect on their fundamental view of congregational life, church leadership and community transformation. Following the five M's of Rev. Cecil L. Murray's method of church leadership—mission, membership, money, maintenance and morale—the Murray Center team guided each CDC through a close examination of those markers of congregational vitality.³ This process of assessment and self-reflection also included discussion of each church's current or previous successes at realizing its mission through community development projects and partnerships with donor organizations.

Carlos Rincon of Centro de Vida Victoriosa says that the scope of his CDC's mission was determined after a careful, systematic process of assessing the needs of his congregants prior to examining the needs of the community around the church.

Regarding his congregational assessment, Rincon says, "People come to me as a pastor, tell me their problems, not only spiritual, but marriage, finances,

kids, their immigration status. When we started the CDC, we changed from just giving things to people—food, clothes, even cash assistance when there was an emergency. Now, we are focused more on developing people. I think it's better, and it brings more permanent results."

Though the members of Rincon's church—which is part of the Assemblies of God denomination—support their CDC's partnerships with secular institutions, many other churches in the denomination are opposed to such partnerships. That fact points to a potential roadblock to establishing a CDC: Some church leaders and congregants may be wary of becoming the beneficiaries of state-based or private sector funding, allowing the state and other "non-believers" to prescribe and delimit the activities that a faith community undertakes to spread the Gospel and realize the promise of the Kingdom of God.

To complicate matters, there may be factions in a given church that adhere to dramatically different interpretations of what it means to work toward the Kingdom of God—and who counts as a viable partner in that work. At two of the churches in our project, many younger members were eager to launch new initiatives through their CDCs, but

other generally older congregants and even senior pastoral staff were opposed to the idea of partnering with "worldly" institutions.

While congregations, like any other kind of organization, are seldom perfectly harmonious, the success of a CDC depends on a large measure of congregational buy-in, particularly in the early stages of its development.

"For the first three to five years," says Frank Jackson of the Murray Center, "most CDCs have to be self-funded by the congregation. In other words, as a line item in the church budget or out of the pastor's pocket."

That means that, in addition to being transparent and meticulous in their handling of resources, the leaders of a start-up CDC must take great care to articulate their mission and vision in a way that resonates with the prevailing ethos of community engagement in their congregation.

2

ORGANIZATIONAL ASSESSMENT

WHAT ARE THE CAPACITIES, MISSION AND VISION OF THE CDC?

After guiding CDC staff through the process of congregational assessment and buy-in, the next step for the Murray Center team is to assess the state of the CDC itself. This evaluative process includes (but is not limited to): the CDC's status and compliance as a 501(c)(3) tax-exempt corporation; its organizational and governance structure (leadership and board of directors); staffing capacity (volunteer and paid); the financial state of the organization, including its annual budget and auditing processes; and an assessment of past programs, particularly their successes and shortcomings.

Fearlessly taking inventory, problem-solving and making interventions to rectify problems in any of these areas is an intense and indispensable part of the process. For example, during the project, the Murray Center team had to work with some of our CCTP partner organizations to ensure that they were in compliance as a non-profit, tax-exempt organization by filing tax returns and delayed financial audits.

In other cases, the team consulted with the organization's executive director to assist them in establishing or revamping a board of directors to oversee the CDC's operations, establish processes for developing projects and leverage relationships to seek new sources of funding. In one particular organization,

the Murray Center team observed that the board of directors was experiencing an unacceptably high rate of turnover, resulting in erratic leadership and governance. In other instances, the CDC board was composed entirely of church elders, who—although a vital part of the church—did not have significant influence beyond the congregation and were unfamiliar with project management, human resource development and funding-raising.

According to Frank Jackson, the most important consideration for a successful CDC—following a commitment to careful data collection—is having a skilled, dedicated staff to get the job done. This due diligence includes creating impact statements, annual financial reports, records of CDC board development and careful documentation of the activities that the CDC has undertaken.

“If you don't have a group of committed folk to do the work, your nonprofit status is going to be suspended,” Jackson says. “That will put you back not to square one but to square negative three.”

Steve Johnson of Faithful Central affirms that competence and commitment are the essential staffing prerequisites for a smoothly functioning CDC.

“We have a team of people who come well-credentialed and well-represented,” Johnson says. “They can budget thoroughly. They can comply thoroughly. They can respond to inquiry or audit thoroughly. There's no closed books or hidden agendas, especially on the funding, which a lot of churches really screw up.”

Dorima Rincon-Hamilton, the executive director of Centro de Vida's CDC, says that, beyond simply having staff to ensure her organization's nonprofit status compliance, she faces the challenge of finding the resources to pay project managers to undertake the work that her congregation hopes to see.

“Our biggest struggle is being able to get the funding to hire more people,” says Rincon-Hamilton. “If we're going to increase the services we provide, we have to build the capacity within.”

At this stage of its work with the Murray Center team, the leaders of a CDC learn to optimize the staffing capacities of their organization. Like its parent church, a CDC often relies on the volunteer services of congregation members. Furthermore, family members of the pastor were on the staff of nearly all the CDCs we worked with. Church volunteers bring a lot of heart to their ministry efforts, and the familial nature of these

organizations can contribute to their work in underserved communities. The successful operation and implementation of programs through a CDC, however, require trained personnel with expertise in various areas of community development, such as education, healthcare and housing. The staffing of a CDC should be determined by its needs for expertise in order to avoid the appearance of it as an employment program for the pastor or members of the pastor's family.

Leadership training at this stage also entails learning to foster and manage strong, trusting relationships within the CDC and with the leadership of the church. Reflecting on the capacity needs of his church and CDC, Bishop Noel Jones of City of Refuge said:

“For a pastor who deals primarily with theological issues, to operate in [the community development arena] he has to have relationships with people who are schooled in that arena. First of all, I have to admit that my expertise does not give me a great insight as to the cures and solutions for community ills. I can articulate from a theological point of view, but from a practical point of view, I need boots on the ground. So, I need people who operate within that sphere to give me the direction, and then I have to be humble enough to take their direction and guidance.”

The careful cultivation of these ties, both within the church and beyond its walls, is essential to the success of the CDC's executive director.

Just as the CDC's parent congregation needs to buy in to the vision of community development that guides the organization, the CDC staff members must agree on the spirit that drives their work together.

“We like to work as a team,” Rincon-Hamilton says. “Mostly because if not everybody has bought into the vision, it's not going to work. You're going to get burned out doing it all yourself or constantly trying to convince everybody to get on board.”

It is also important to keep in mind the role that ego-driven ambition can play in the creation and functioning of a CDC. Some individuals may desire to lead a CDC because it helps to create relationships and opportunities to support personal, social, political or financial ambition. This prospect highlights the importance of effective oversight and organizational accountability, as the negative outcomes of such opportunism can be detrimental to the legitimacy and reputation of the church as well as the CDC.

Ensuring that everyone involved with the CDC buys in to the organization's identity is the last element of this part of the process. At this point, the Murray Center team worked with partner church organizations to define and clarify the mission and long-term vision for their CDCs. This enables the CDC's leaders to articulate their ambitions in ways that are rooted in the spiritual mission of the church, relevant to the earthly realities of the communities they want to serve and meaningful to the funders whose support they must seek.

3

COMMUNITY ASSESSMENT

WHAT ARE THE NEEDS OF THE PEOPLE WHO WILL BE SERVED?

Finally, after the congregational and organizational assessments are complete, the CDC staff must assess the needs of the community as well as the priorities of potential funders. At the outset of this part of the process, the Murray Center team works directly with the CDC's executive director to help her or him develop the soft-skills necessary to become a respected community leader. This skills acquisition process for executive directors includes confidence-building in leveraging relationships and networks beyond the church, such as with other nonprofits, political office-holders and potential corporate partners.

"I have to move them to a mindset that they're transforming the community," says Mark Whitlock. "Your job is not to worry about the inside of the church. Your job is to transform the community where you live, work and worship."

The Murray Center team thus works with the CDC to undertake a community needs assessment. The assessment can take many forms, such as listening sessions with community activists and organizers or surveys of congregants who live in the areas surrounding the church. The key questions that guide this assessment: Who lives in the community and what are their needs? Who are the local stakeholders (other faith-based groups, NGOs, corporate entities)? Who are the

local civic and community leaders, and what is their level of engagement in addressing community needs?

To determine the needs of the community beyond the four walls of his church, Carlos Rincon decided to invest some time and shoe leather in Centro de Vida's CDC. He went door-to-door, visiting every house and apartment building within a two-block radius of the church—a strategy that yielded valuable information about the issues that families in the neighborhood were facing, along with the goodwill that was evident on the day of the CDC's fundraising gala.

Rincon also got to know the civic, corporate and other non-governmental stakeholders in his region of the city.

"I became involved with a lot of organizations within the community," Rincon says. "I met with local politicians to hear what they were saying about anything that has to do with the immigrant community. I became part of a lot of conversations."

In undertaking a needs assessment of the women in her congregation and the surrounding areas of Inglewood, Jazlyn Turner—executive director of the New Mount Pleasant CDC—was prompted to make women's health one of her CDC's focus areas.

"Preeclampsia is a huge issue among women of color," Turner says. "They are not receiving the proper treatment that they need. We have breast cancer survivors in our congregation. Sexual harassment is also a huge issue that's affecting women's health right now. All of this was highlighted in the women's health fair we just did."

Even as a CDC's staff begins to find its footing, the objectives of city and state agencies in particular areas of community development may sometimes conflict with what the CDC, through its own research, has identified as the particular needs and challenges of the communities it wants to serve. Similarly, when civic grant-makers, corporate entities or philanthropies identify priorities or criteria for success that differ from the CDC staff's determinations about community needs, the CDC will have to navigate the competing and sometimes conflicting demands of the community, donors and its own financial objectives and ministerial goals.

LEARN AND ADAPT

ONGOING TRANSFORMATION

This three-part assessment is not the end-point of an organization's learning process. Organizations must continually gather information and establish a culture that supports ongoing self-reflection and evaluation.

It is often difficult for organizations of any kind—secular or spiritual—to create a space where the whole team can step back and assess how well they are functioning. For starters, the leaders of the organization have to create a team of people who are willing to do that.

Belinda Allen, the executive director of the West Angeles CDC, says that regular offsite retreats for all staff members are essential for taking the pulse of her organization. This was an organizational management strategy that Allen learned through her previous professional

experience in the corporate world and subsequently adapted for her work at West Angeles.

“We have our annual board retreat with the board members,” Allen says, “but we also have our annual project directors retreat and bimonthly staff retreat. Prior to those retreats, the organizer or leader sends out anonymous survey assignments so they can understand where everyone is with trust. When we see that data, those percentages, then we know where we need to work on something.”

In order to learn and then modify or adapt its operations and programs in response to new knowledge, the CDC's staff has to be able to gather and track information, both within the CDC and among the cohorts of people impacted by its programs.

Murray Center consultant Frank Jackson says that everything else—creating ongoing funding streams, sustaining a healthy CDC team and offering successful programming—depends on meticulous record-keeping.

“There should be trackable outcomes within one to three years,” Jackson says. “And it will all start with the data collected when you ask those first questions: What is the state of your congregation, what is the state of your nonprofit and what is the state of your community?”

Developing these skills, implementing learning processes and gleaned insights from data will allow organizations to form an accurate picture of the contexts and conditions in which they operate. This comprehensive situational awareness then enables them to create, borrow or modify strategies to accomplish the goals that they establish for themselves.

It is also key to raising funds to do more good work. “When we talk about impact and transformation, funders want to see the data,” says Dorima Rincon-Hamilton, executive director of Centro de Vida's CDC. “Stories are great, but where are the numbers? That's what we need to put in the reporting that we do.”



Paying for the Future

Ensuring Ongoing Sources of Funding for Community Development

As the Murray Center's Frank Jackson noted above, most CDCs receive their initial funding "as a line item in the church budget or out of the pastor's pocket." To break free from that reliance and become a financially independent organization, Jackson says, "You need to have clean finances for two years to apply for private sector funding and for five years for public funding."

After the CDC staff has identified the community needs that fall within the scope of the CDC's vision and mission, raising money from foundations, corporate donors and government entities to develop programs to meet those needs becomes a key concern.

Some of the executive directors we worked with had never written a grant proposal and wanted specific assistance in learning how to apply for grants. The art of writing grant proposals in secular, technical language that is consistent with a potential donor's objectives can sometimes be a challenge for faith-based organizations that are accustomed to using "church speak" when they seek to raise funds from congregants or individual benefactors. The Murray Center team, therefore, had to work closely with many of its CCTP partners to help them communicate in a new way as they began to write proposals to civic and corporate entities as well as secular philanthropies.

"Sometimes churches are disadvantaged because they don't know the language of best practices," says Steve Johnson of Faithful Central. "They're not up to speed on how the thinking is evolving in the worlds of business or politics or banking or economic development. They don't know the language, and as a consequence, they come at it merely armed with, 'I believe in God and therefore you should, too. And, since I believe that God is going to make a way somehow, y'all should get on board.' That doesn't really sell well, and so you have to translate that vision for potential funders or potential donors."

In addition to translating a theological vision into secular language, successful fundraising also requires the cultivation of relationships and networks beyond the faith-based world. Thus, a key topic of discussion between the Murray Center team and CDC executive directors was identifying existing ties to influential community stakeholders. The team also helped their project partners to determine important events and organizations that the CDC staff should attend in order to make connections,

understand the wider landscape of community development and cultivate the know-how to undertake strategically sound projects.

Building and maintaining a network of relationships with funders and other community stakeholders has become Carlos Rincon's primary task as the head of the board of directors of Centro de Vida's CDC. He says that he meets with funders—mostly banking representatives and program officers from L.A.-area philanthropies—at least once a week.

Jazlyn Turner, reflecting on the importance of establishing strong ties with local city officials as a young executive director, remarked that she begins conversations with them by saying, "Hey, we're here. We represent your population. We represent the people you represent. And since we have mutual representation, let's work together to provide resources."

For an organization like the West Angeles CDC, which has been involved in community development work for a longer time, the major concern is sustaining and expanding its reservoir of social capital. Executive director Belinda Allen pointed to her organization's annual funders gala as an occasion to touch base with existing donors, but also as an opportunity to cultivate new partners beyond established collaborations. Through these events, but also through more informal conversations, Allen emphasized the need to "build relationships and keep them in good standing," knowing that these ties could be important as West A's CDC develops its plans for the future.

The value of that kind of social capital for the growth of a CDC is perfectly clear to Steve Johnson.

"Once you don't squander a few opportunities and you show you know what you're doing—and you can vouch for it with verifiable data—then people start coming to you with more opportunities," Johnson says. "And, after a while, you're developing housing and renovating office buildings and distributing toilets all over L.A. County and doing entrepreneurial training and doing small business loans. This is all evolutionary from what was fundamentally a church-based operation."



Gilded Pulpits and Empty Pews

Challenges to Church-based Ministries

Some well-resourced megachurches are able to undertake community development ministries with little or no outside revenue. Yet, even when a church's ministries are firing on all cylinders, instability in the church can hinder the growth of those ministries and even imperil their mission. In the paragraphs that follow, we will briefly outline the two main factors that can cloud the prospects for a church that wants to undertake its ministries outside the context of a CDC structure.

CHARISMATIC LEADERSHIP

Many mega- to mid-sized churches often enjoy robust congregational giving to support their ministries and are content to rely on the abilities of charismatic leadership to raise funds when a new project is proposed. Such leaders are able to cultivate strong ties with local government agencies and funders (both religious and secular) and deftly leverage this relational capital to form contracts and establish partnerships with outside civic and corporate entities. In such a situation, the stringent requirements for forming and running a non-profit CDC can seem an unnecessary incursion into how the church chooses to expend its resources.

“One church in the project tried to give money to its CDC for a number of years because they didn't want any government grants,” says Mark Whitlock. “They didn't want any grants from the outside because they didn't want to be controlled by the government and they didn't want to be controlled by a corporation.”

The churches that have been successful in this relational approach to community development ministries are, however, the minority. A congregation that relies on relationships forged by a charismatic leader for its financial sustainability will face long-term viability challenges when the leader retires or passes away. After such a leader moves on, in one way or another, the succeeding leadership often struggles to preserve the former leader's personal connections. Moreover, many pastors have also invested their own personal wealth into sustaining the financial health of their congregations. When the pastor leaves the scene, the remaining leadership (the new pastor and/or the church's board of directors) will be hard-pressed to keep the church afloat without the former pastor's social and financial capital.

Often such personality-led churches also have unclear succession plans. Thus, in the aftermath of the charismatic pastor's retirement or death, a church may see a dramatic shift in congregational attendance and fidelity. As a new pastor takes the helm, or the previously behind-the-scenes church board steps in to make decisions, many remaining congregants face uncertainty about the direction that their church will take. Tithing and offerings can be significantly impacted, and churches may struggle to meet their own costs (mortgage, utilities, staff salaries) apart from the funding required to undertake community development projects. Not surprisingly, ministry work that serves the broader community is deprioritized in the face of diminishing financial resources.

If such churches want to avoid the perils of following this path, the charismatic leader must take the initiative to lay the groundwork for succession and empower others as stewards and leaders for the church's ministries.

GRAYING CONGREGATIONS

Changing social demographics are a significant influence on the congregational makeup of many churches today. For instance, growing trends toward both geographical itinerancy and religious disaffiliation—particularly among young adults in urban areas like Los Angeles—has meant that many churches are seeing declines in membership and institutional loyalty.⁴ This broader social trend toward religious disaffiliation among young adults also means that the median membership age of many churches is skewing older.⁵ Giving from this graying cohort is diminishing, with older members dying, moving elsewhere to be closer to family or finding themselves struggling financially on fixed retirement incomes.

On the other hand, according to some of the pastors and executive directors who participated in the project, younger congregants—even those who are inclined to give generously—often face competing financial burdens as a result of rising costs of living, employment insecurity, financial debt and stagnant wages. In the words of the executive director of one of the CDCs in our project, the aggregate effect of these trends is, "Where you might've had a tithing member who would pay \$700 because they made \$7,000, you now have someone coming to church and putting in \$20."

Additionally, congregants in previous generations tithed monthly to the congregation and took it as an article of faith that the pastoral leadership would use their offering to meet the needs of the church, its staff and ministries to the congregation as well as the surrounding community. Financial transparency and accountability for how offerings were utilized was less consequential to these givers. In contrast, younger congregants today are both giving less and expecting more in terms of accountability. As one young pastor put it, "Many younger congregants would rather buy tangible objects for the church. They say, 'I want to see where my money goes.'"

Still, transparency is not only a necessity in response to changing demographic and cultural realities; it is also foundational to a faith group's identity as a civic institution. As Mark Whitlock said to a CCTP participant, "The church is a public entity that is owned by the people. It is not owned by the pastor, nor does it belong to any other one person. Pastors today would be wise to 'open up the books' of the church and be financially transparent."

4 "America's Changing Religious Landscape." Pew Research Center. May 12, 2015. <http://www.pewforum.org/2015/05/12/americas-changing-religious-landscape>.

5 "Five Facts about the Religious Lives of African Americans." Pew Research Center. February 7, 2018. <https://www.pewresearch.org/fact-tank/2018/02/07/5-facts-about-the-religious-lives-of-african-americans>.

Key Lessons

Relationships and Adaptation

Like the process of learning how to ride a bike—find your balance, keep the pedals moving, know when to apply the brakes—the process of creating a flourishing CDC simply means repeating the same set of steps over and over, with ever increasing finesse. Eventually, the bike rider no longer needs a helping hand to keep them balanced and can move faster and more efficiently. Throughout the Community Church Transformation Project, the Murray Center aimed to give the CDCs the tools and perspective to be able to continue the ongoing process of assessment without the help of a consultant.

The community development corporations of Centro de Vida Victoriosa and West Angeles COGIC are very different creatures, in some respects. The former is a start-up at a mid-size church serving the immigrant communities of East L.A., while the latter has served a megachurch and a largely African-American community for more than a quarter-century. Yet the same process that we have outlined in these pages—assessing the will of the congregation, the capacity of the organization and the needs of the community—allowed each to elevate their community development work to the next level. Leaders of both CDCs took full advantage of their relationship with the Murray Center. They now have gained new confidence in approaching funders, building internal capacity and seeking support for the programs they run.

This project offers several key lessons for both organizations and their funders:

FUNDERS

Technical assistance and capacity-building are no substitute for relational engagement over the long term. That means that if funders offer a tool (i.e. resources) to enable someone to accomplish a task, they also have to make available the time for people to understand how to use this tool most effectively. Invest in the relationships that are going to foster trust, which will allow partners not only to use the tool, but to experiment with it and adapt it.

If the ultimate goal is to build sustainable, optimally performing organizations that will be rooted in the communities they want to serve, then success is not only a matter of capacity or even resources. It is also a matter of relationships that support stability and allow space for experimentation. Beyond just getting the job done, this is how innovation happens. Funders would be wise to use their resources to build a container for experimentation and innovation rather than simply buying a service from an organization that they see as simply a service-provider.⁶ That is what true community transformation requires.

ORGANIZATIONS

Organizations should employ critical honesty in assessing where they are right now and where they want to go. And remember that this process of fearlessly taking inventory is ongoing, which means that organizations have to allow the space for their work to evolve and adapt in response to new knowledge and information. The evolving and adaptive programs that emerge from those ongoing assessments are then supported by the stable funding streams generated by a successful CDC.

All of this serves to create an organization that promotes the flourishing of the individuals within it as well as the community around it.

CONCLUSION

“My passion has always been to work with young people,” says Dorima Rincon-Hamilton, the executive director of Centro de Vida Victoriosa’s CDC, who studied human resource management as a university student. “Whether it’s workforce development, planning for college or just helping them see what it is that they want to do.”

The centerpiece of the CDC’s array of offerings is the Ideal Wealth Academy, a 10-month program in which parents and their teenage children receive one-on-one coaching in financial management and family empowerment skills. According to Rincon-Hamilton, whose training as executive director was the primary focus of Centro de Vida’s participation in CCTP, families that have completed the program have been able to save up to \$5,000 in emergency funds or pay off an equivalent amount in debt from car loans or other purchases.

“A lot of it is just educating the families about opportunities they’re missing out on,” Rincon-Hamilton says. “When they realize the benefits, they’re able to handle a lot more, especially when it comes to their finances. That affects a lot of things in addition to household budgets: mental health, physical health, spiritual health, emotional health.”

Coupled with meticulous data-gathering and record-keeping, the Whitlock Method can help faith-based organizations like Centro de Vida Victoriosa realize their vision of the Kingdom of God, at least within the neighborhood just beyond the four walls of the congregation.

“Talking with some of the executives and other funders that we deal with, I see the relationship,” says Rincon-Hamilton. “They’re in the communities that we’re serving, so why shouldn’t I have a seat at the table?”

⁶ See, for example, Paul Brest, “A Decade of Outcome-oriented Philanthropy,” *Stanford Social Innovation Review*, Spring 2012.

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CECIL MURRAY CENTER FOR COMMUNITY ENGAGEMENT

The USC Cecil Murray Center for Community Engagement's mission is to equip faith leaders to transform underserved communities. The Murray Center provides leaders in low- to moderate-income neighborhoods in Southern California with capacity building and consultative services, so that faith communities can become full partners in social change.

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