
Strategic management of the church as challenge and reality:

Can the habitat of expectation solve this dilemma?¹

Andrè J. Oosthuizen²
andrejoost79@icloud.com

&

Laetus O.K. Lategan³
llategan@cut.ac.za

Central University of Technology, Free State
Bloemfontein

Abstract

This paper departs from the perspective that despite the unique position of the church as a faith-based organisation, management skills and principles are required to manage the church. Following on this perspective is the position taken that an applicable strategic management process and framework are required to lead the church in achieving its strategic intent. Unfortunately, the context or habitat of the church is very often neglected in the strategic management process.

The paper presents a habitat of expectation as the unique contribution to the strategic management process for the church as an organisation.

-
- 1 This paper is based on a DTech Study in Business Administration completed by A.J. Oosthuizen at the Central University of Technology, Free State.
 - 2 Pastor: Dutch Reformed Church, Universitas.
 - 3 Director: Research Development and Postgraduate Studies, University of Technology, Free State.

The arguments are based on the premises that any strategic management process has three fundamental stages, namely analysis, implementation and evaluation. The Planning, Implementation and Checking framework (PIC-framework) is presented as a strategic management framework for the church as an organisation.

Opsomming

Strategiese bestuur van die kerk as uitdaging en realiteit: Kan die habitat van verwagting die dilemma oplos?

Hierdie artikel vertrek van die perspektief dat ten spyte van die unieke posisie van die kerk as 'n geloofsgebaseerde organisasie, daar 'n behoefte is aan bestuursvaardighede en -beginsels om die kerk te bestuur. 'n Toepaslike strategiese bestuursproses en raamwerk word benodig om strategiese doelwitte te bereik. Ongelukkig word die konteks of habitat van die kerk verwaarloos in die strategiese bestuursproses.

Hierdie artikel bied 'n habitat van verwagting aan as die unieke bydrae vir die strategiese bestuursproses van die kerk as organisasie.

Die argumente in die artikel berus op die aanname dat enige strategiese bestuursproses drie fundamentele prosesse het naamlik analise, implementering en evaluering. Die Beplanning ("Planning"), Implementering ("Implementation") en Evaluering ("Checking") raamwerk ("PIC-framework") word aangebied as 'n strategiese bestuursraamwerk vir die kerk as organisasie.

Key words

Church management; Strategic management process; PIC framework; Habitat; Management of expectation

1. Scope of the paper

A Biblical metaphor explaining the unique position of the church is that of being the body of Christ (Ephesians 1:23-24). The church is also referred to as "the household of God" (1 Corinthians 4:1, 2). These references, and more, express the unique position the church has in society (Oosthuizen, 2016). From a Biblical and Reformed theological perspective (church view) this perspective is upheld and subscribed too in this paper.

This paper departs from the perspective that although the church is a *faith-based organisation* and should therefore be regarded as different to other societal organisations, it cannot escape the reality that as a *societal structure* she has to be managed. Although the first inclination is that the church cannot be managed in a similar fashion than, say, the university, the reality dictates a different scenario. This necessity is based on the fact that the church is subjected to the same legal systems as any other organisations (example the *Labour Relations Act* regulating the employment of the pastor and church officials) or financial regulations (accountability and tax requirements regardless tax exemption regulations). The fact that the gospel is shared and promoted via other platforms (electronic media, social media, printed media, television channels) requires the church to assess if it (as a societal structure) is still effective in either engaging with the needs and expectations of both the pastors and church members or the general administration of the church. These challenges, are posed by, amongst others, the latest official *Church Mirror (Kerkspieël)* that membership is declining and that pastors do not experience work satisfaction at all times (see paragraph 4). The ensuing question is whether the church is still effective as a faith-based organisation in a post-religious society. At the core of this question is the typical quality questions of *fitness for purpose* and *fitness of purpose*. Translated to the context of the church it means if the church is doing things right (example: are there church ceremonies?) or is the church doing the right things (example to address contemporary issues such as assisted death, same sex relations, etc.)

This sets the table to explore the argument that although church management may seem contradictory to the nature of the church relative to other societal structures, the application of sound management practices can promote the sharing of the gospel. The position taken is that apart from management skills and principles, church leadership needs to properly engage with an applicable strategic management process and framework to lead the church in achieving its strategic intent. This means that the gospel as core of all church activities should be promoted in such a way that its meaning is optimised. The

intention of church management is not to change the content of the gospel, but rather to assist church leaders how best to bring the proverbial good news to a society. After all the gospel is, from a Management perspective, not an *inclusive product* for church members only but an *exclusive product* that can bring meaning to society. From a Theological perspective it is about giving the transforming message of the gospel its rightful place in both the church and broader society. Consequently, the church has the responsibility to formally educate and equip its leaders to manage the church within a growing consumer society and fast-changing world.

To achieve this objective, the habitat of expectation will be presented as the unique contribution to an effective and efficient strategic management process for the church as an organisation.

His study begins from the premise that although there is a sufficient body of literature on the church as Biblical concept, a limited knowledge base exists on the management of the church as organisation – both in Management and (Practical) Theology (Oosthuizen, 2016).

This paper is embedded in organisation theory, strategic management theory and the sociology of religion. The scientific merit of the study is based on the cross-disciplinary references together with a multi-disciplinary approach to the topic (see Kokt, Lategan & Orkin, 2012).

2. Understanding the importance of the church's context in strategic management

Too often, strategic planning within the church as an organisation, starts by analysing the opportunities and threats that the environment poses without a proper analysis and understanding of the context in which the church is functioning. The context is essential in order to bring a broad perspective on and understanding of the challenges, influences, attitudes and opportunities an organisation faces. Defining the context is therefore considered indispensable to an effective and efficient strategic management process and a condition to any environmental analysis (MacMillan & Tampoe, 2001).

Sound strategic management depends on understanding the context in which an organisation is functioning (Macmillan & Tampoe, 2001). Macmillan and Tampoe go as far as saying that organisations that do not engage in analysing and determining the context will make the strategic management process invalid (MacMillan & Tampoe, 2001:35).

Context means something different from a typical analysis of the organisational environment. Defining the context in which the strategic management process will be implemented within an organisation practically means that the first step for any organisation in managing strategically is to ask the question: *What are the important issues for us now?* By asking this question, the unique context of the organisation presents issues and dilemmas which strategic management needs to address and resolve. In fact, the context sets the agenda for strategic management. In essence strategic management is all about resolving the issues and dilemmas that the strategic context provides. The context presents the issues that need to be addressed whilst the strategy provides the adequate response to a particular issue (Thomson & Martin, 2010).

The different and unique contexts of organisations are one of the main reasons why imitation strategies are usually ineffective (MacMillan & Tampoe, 2001:35):

The imitator necessarily faces different issues from the imitated. Even in the case of direct competitors in the same industry, the actions of the first mover will have altered the context. The context is also different for the imitator because the imitator has different organizational capabilities and inclinations.

This is especially important within the context of the church as an organisation. Because of a lack of basic management skills and principles in church management (Oosthuizen & Lategan, 2015), a church tends to rely on imitating strategic plans and actions that were successful in other churches with different contexts. The implementation of these imitation plans often fail miserably precisely because the unique context of each organisation is not acknowledged.

Any organisation functions within a specific context. It is like an animal living in its environment (MacMillan & Tampoe, 2001). The environment is the context in which the animal lives, grow and feed. This context is also known as the *habitat* that has a specific influence on the animal, and the animal will adapt according to changes in the environment through evolution. Adopted from this metaphor, an organisation functions within its own 'habitat'. It has to adapt and make adjustments by 'evolution' through competent strategic management. What this means is that an organisation must be able to adjust in terms of structure, culture and systems at the same rate as the changes in the environment. This can only be done if the habitat is defined regularly and adaptations can be made in order to be effective and efficient.

An important observation is that a *church* can only change on the basis of what *the church* is, namely a faith-based organisation. To be a church it cannot be anything else than a faith-based organisation. Change is not meant to eradicate faith but rather to understand the faith-based needs of a changing world. Back to the “habitat” metaphor: the “habitat” is the preaching and practicing of the gospel. The strategic question is how should the gospel be shared in a changing world? A typical example is how should the *Providentia Deo* be understood in the context of earth warming, changing climate patterns and a drought that has seemingly no end?

In this paper the importance of the context as basis for the church’s strategic management will be presented. The context will be presented as *habitat*. The habitat will set the background to the strategic management model presented in this paper. The habitat will be framed in what is typical of the church namely *expectation* (see Oosthuizen, 2016)

3. Empirical evidence for understanding the habitat of the church: choosing an example

Although the Dutch Reformed Church is the main source of empirical data in this paper, the managerial principles and skills derived from the research can universally be applied to the church as an organisation within various contexts, upholding the universality of management as well as the principle that management is both a science and an art (McElroy & Van Engelen, 2012). As in any other organisation, the church as a faith-based organisation cannot escape the influence of different contexts and systems as well as the global changes in the economic, political and social environment. The church therefore needs to change to an open-systems approach in order to adapt faster to changes in the internal as well as external environments.

The Dutch Reformed Church in South Africa was taken as an empirical evidence for defining the habitat for three main reasons:

- a) Because the quantitative samples and data of the church as an organisation in South Africa are small and no other reliable data on the church as an organisation, other than the “Church Mirror Survey” 2010 (*Kerkspieël*, 2010) were found, the Church Mirror will be used to understand the habitat of the Dutch Reformed Church as an example of an organisation’s context. The following dimensions were identified in conducting the survey that are important in the understanding, growth and activities of congregations (Schoeman 2011:4):

- spiritual development which focuses on the individual member of the congregation activities and relationships within the congregation,
- impact in the community and
- understanding of the goal and future of the congregation.

- b) The Dutch Reformed Church is greatly marginalized within the South African context because of its involvement and influence during the Apartheid-era. The Dutch Reformed Church does not have the same societal and political influence after 1994 and is consequently fighting for a living and substantial sphere of influence in the new South Africa.
- c) Apart from the external environmental factors such as the political and societal influences, internal environmental changes are also challenging the church as an organisation. It faces various challenges regarding declining membership and finances and is therefore in need of sound management and strategic change in order to precede its calling as an organisation in South Africa.

4. The habitat of the Dutch Reformed Church over the last two decades

From the empirical data gathered in the Church Mirror Survey (2010) (*Kerkspieël*, 2010), one can draw some conclusions about the habitat in which the Dutch Reformed Church functions and hence about the questions that strategic management needs to address.

Some general remarks on the habitat of the Dutch Reformed Church will be discussed under two headings, namely the perceived view of the members on the context of the organisation and, secondly, the perceived view of the leaders on the context of the organisation. This will give a better understanding of the perceived habitat in which the church is functioning.

4.1 Perceived view of members in terms of the habitat

Collecting and analysing data (*Kerkspieël*, 2010) relating to the perceived view of the members in terms of the habitat of the church as an organisation, only 7% of members perceived the church to be dynamically growing. The survey found that 36% were excited about the organisation’s future while only 18% felt that the congregation was moving in a new direction. According to the members of the organisation, the general direction in which the church is moving is largely aimed at maintenance.

Regarding vision, 26% of worshippers felt that the congregation has a clear vision, goals or direction, and they are committed to partake in the mission. The organisation is declining in terms of membership numbers due to various reasons, however, membership is not restricted to specific locality (geography) as it was previously structured according to the geography of borders around churches.

Membership and participation is voluntary, and members are influenced by the consumer society.

Furthermore, 40% of respondents felt a strong and growing sense of belonging in the congregation, but participation in and belonging of members to a congregation weakened from the previous census. The members expected change in leadership, member participation, being equipped as participants in mission and agents of change and empowerment from leaders.

4.2 *Perceived view of leaders in terms of the habitat*

Data related to the perceived view of the leaders in terms of the habitat indicates that 47% of leaders were doubtful about their role in the congregation. In addition, 33% often experienced a lack of knowledge and understanding of their leadership role whilst 30% of pastors were frustrated by their efforts to focus on tasks of importance. The data indicated that 31% agreed that they felt drained by the tasks given to them in the church whilst 48% felt fulfilment in the work they do.

Another meaningful statistic relating to the habitat is that 56% of church leaders thought about leaving the ministry for a secular career in the two years before the survey whilst 52% thought of leaving the Dutch Reformed Church ministry for another ministry.

In terms of the financial position of pastors, 57% were satisfied with the salary and benefits whilst 16% were dissatisfied. Regarding finances, 40% of pastors felt that the church gave them financial security, but only 47% felt that the church council would fill their position when they leave.

4.3 *Implications for the church habitat*

From the abovementioned the following conclusions can be drawn about the context of the Dutch Reformed Church in general. Schoeman (2011) identifies two key issues in his analysis of the Church Survey: -

- In terms of the internal well-being of the organisation – participating and belonging to the congregation are weaker and loyalty may be taken for granted.

- In terms of the external environment – the community is not in the sight of the congregations, and involvement in the community needs to improve.

Some of the questions that the interpretation of the current habitat poses is the following:

- Why are only 36% of church members excited about the future of the organisation? Consequently, 64% are not that excited about the future of the church as an organisation!
- Why is the loyalty of members taken for granted when the church is numerically declining?
- If there is a growing focus by members on involvement in the community, why is the community not in the sight of congregations? Secondly, if there is a growing need for involvement, why is the participation of members weaker than in the previous census?
- It is clear that members expect leaders to equip and empower them through changed leadership to greater participation and involvement. Why then are 47% of leaders doubtful about their role in the congregation?
- If there is such a great need for churches to be effective and efficient in their mission and service as drivers and implementers of change and transformation in communities, why do 56% of church leaders want to leave the ministry and miss out on a chance to manage change?

These are some of the issues that the Dutch Reformed Church faces, based on the empirical data. In fact, *observational research* suggested that these questions are today even more probing because of rapid political, social and economic challenges.

Although these questions are generic for all congregations, each individual congregation will further face different challenges that need to be identified through strategic assessment. What is evidently clear though is that change within the organisation is necessary to ensure the future viability of the organisation. This is acknowledged by members as they expect leaders to lead and manage change in the congregation. Although leaders acknowledge the need for change, their particular role, involvement and leadership in the management of change is not clear, not even for themselves (*Kerkspieël*, 2010).

The argument that the church lacks basic managerial skills and principles in the management of the organisation (Oosthuizen & Lategan, 2015) is reaffirmed by the questions posed by the organisational habitat. Basic management principles and skills are required in order to address challenges in the organisational habitat and to equip leaders to lead an organisation through the process of strategic management and change.

This observation further confirms that these challenges need to be addressed from a management perspective. Although one fully recognises the importance of Ecclesiology, Christology and Pneumatology when one analyses the church, it is evident that more than these above-mentioned approaches are necessary to address the abovementioned challenges and more. It is here that the Management Sciences are relevant – not as a replacement for Biblical truths about the church or Theological knowledge about the church but as a supplementary approach to understand the church and her challenges.

From philosophy of science it is evident that a multi-disciplinary look at reality always has the advantage of a more representative understanding of events. In the context of this paper Theology and Management can assist to understand the uniqueness of the church as the Body of Christ and how this unique position should be contextualised in the public domain.

The next paragraph deals with the habitat of expectation. This proposal does not only serve as a solution to the contextual challenges of the church, but also as a bridge between the uniqueness of the church and addressing her challenges as societal structure.

5. A habitat of expectation

As stated above, the habitat of an organisation plays an integral part in setting the direction of strategic management action. Change within an organisation does not start with planning but with the interpretation of the organisational habitat.

The authors therefore propose that a realistic but positive view of the organisational habitat is necessary in order to manage and achieve organisational change effectively and efficiently within the church. Too often, organisations start with the elements of the strategic management process before sufficient time and effort is spent on the content and interpretation of the habitat of the organisation. The authors will present a habitat of expectation as a point of departure and an inevitable part of effective and efficient strategic management faith-based organisations.

5.1 *The fundamentals of expectation*

There is a wonderful narrative about a widow and the priest Elisha in 2 Kings 4. One day, the wife of one of the seminary students came to Elisha to tell him of her husband's death. He was a man who loved God, but he owed

some money when he died, and now, the creditor was demanding it back. She had nothing and was in danger of losing her last and only precious possession, her two sons.

She took refuge to Elisha the priest, and the miraculous story of her relief unfolded.

Elisha asked her what she had left in her house, and she brought him a jar of oil. Elisha then instructed her to go and collect as many empty jars from her neighbours as she and her two sons could find. They went to every house and collected the jars, put them on the floor of their little house and closed the door behind them. As Elisha instructed her, she started to pour out the oil into the empty jars and put them aside as they were filled.

A miracle took place! Her sons brought one pot after another, and she filled each and every jar to the brim until there were no more empty pots left. She literally poured herself out of her misery! With faith, as the main “ingredient” of faith-based organisations, and in the hand of God, even limited resources can become abundant!

There is an important moment in the story that relates to the presented theme of expectation. The moment they ran out of empty pots, the oil stopped flowing. Thus, it is not the oil that ran out, it was the lack of more empty pots! This is supported by the exegesis on the passage (Henry, 1990) where the empty jars can be symbolic of our expectation of God to fill the expectation with His blessings (oil often refers to God's blessing in the Bible). There was no limitation in the amount of oil; the limitation was in the empty jars put out to be filled!

The expectation of faith, what God can do, plays an integral part in faith-based organisations. In the New Testament, five pieces of bread and two fish fed thousands on the mountain. In the hands of Jesus, normal water turned into wine! These are only a few examples of limited resources transformed by faith and expectation. In fact, faith within faith-based organisations is kept alive by expectation, the expectation that God will provide, the expectation of transformation, the expectation that He will return.

Part of the DNA of the church as a faith-based organisation and therefore part of the habitat in which the church operates, is expectation. If there is no expectation, no empty jars put out to fill, the organisation will receive and achieve nothing. It is only when faith-based organisations put out visions, goals and expectations that they will be rewarded. Faith is a factor that can never be excluded from the habitat, unique character and intention of the church as an organisation.

At the beginning of this discussion on a habitat of expectation, a realistic but positive view of the organisational habitat was emphasised. There are two key elements of the habitat of expectation that will evidently have an impact on the planning, implementation and evaluation aspects of strategic management. These elements are that expectation is simultaneously unrealistic and realistic.

a) The habitat of expectation is unrealistic

Expectation entails a vision even far greater than what the organisation think it is capable of. This is the movement from or replacement of a resource-based strategy with a strategy based on future opportunities. It involves imagination, dreaming dreams that may even seem far greater than what is possible. As a matter of fact, strategic leadership must encourage these kinds of “unrealistic” or “unexpected” dreams. Too often, teams or leaders pour cold water on big, ambitious and innovative dreams, immediately draining the organisation from innovation, creativity, expectation and enthusiasm.

What the church as an organisation needs is imagination! It needs imagination of what is possible, what can be done, what can be achieved and what impact can be made when it not only maximizes opportunities based on the resources available (as traditional management defines) but achieves much more than what was initially thought to be possible. The replacement of the resource-based strategy (Hoopes, Madsen & Walker, 2003; Eikelenboom 2005) with a strategy based on future opportunities will be an integral part of the paradigm of managing the church effectively and efficiently within the context of expectation.

When there is an expectation, leaders, managers and members will be enthused with positive energy and commitment which will result in the revitalisation of the church in its mission (Malphurs, 2013). Positivity, commitment and enthusiasm are the crucial fuel on which the faith-based organisation will function. This will encourage and motivate people to join in the mission and consequently build loyalty to the organisation.

The expectant results or goals will set the direction in which the strategic management process can be lead. An organisation that assesses, strategizes and functions within the habitat of expectation will find new enthusiasm, new commitment and even some unexpected results!

Oosthuizen and Lategan (2015) identified the church as an organization with unique characteristics but nonetheless in need of basic management principles and skills to achieve its desired intent. The habitat of unrealistic expectation is another example of the unique character of the church as

a faith-based organisation that needs to be upheld when dealing with management science. Having an unrealistic expectation does not set the church as an organisation free from effectively and efficiently managing the expectation based on sound management principles and skills in order to achieve the strategic intent.

b) The habitat of expectation is realistic

There will always be tension between what we have (the resources) and the expectant outcome (what we want). In fact, this tension justifies action and strategic management. This is true in every organisation but especially in faith-based organisations that often struggle with insufficient resources, funds and volunteers and that operates within a habitat of an ever-growing mission of service to members inside and outside of the organisation.

Although the importance of expectation and imagination was stressed as fundamental to the unique habitat of strategic management in the church as an organisation, the elements, assessments, frameworks and analyses of the strategic management process will bring the necessary realism. If the strategic management process is set within the habitat of expectation, dreams will be adjusted according to the various assessments, processes and frameworks that will be implemented in the management process. The strategic management process will bring balance between “what we have” and “what we want” or “what we can” and “what could be”.

The alignment of resources with future opportunities cannot be achieved in the strategy-formulation phase. It is therefore irresponsible of leaders to demolish dreams and expectations in the formulation phase.

However, it is true that there might be unrealistic expectations within a congregation. This might include an expectation far greater or beyond the scope or reach of the organisation. It is also true that not every expectation of the organisation will necessarily be realised. Nevertheless, the fact that a goal might be unrealistic at first does not mean that organisations may not have expectations.

The strategic management framework for managing the church as an organisation effectively and efficiently is presented as the PIC (plan-implement-check) strategic management framework. The PIC strategic management framework consists of three fundamental actions, namely planning, implementing and checking, each with its different elements and functions. The content of the PIC strategic management framework is as follows (Oosthuizen, 2016:129).

i. planning (strategy formulation)

- strategic intent
- strategic assessment
- strategic choice

ii. implementation (strategy implementation)

- structure
- organizational culture
- leadership
- change management
- reward systems

iii. check (strategy control, evaluation and continuous improvement)

- evaluation frameworks
- continuous improvement.

The PIC will assist to point out where the expectations need to be altered or modified. This will either lower the expected results or set the bar even higher. The strategic assessments, controls and evaluations are the checks and balances in order to identify what is realistically possible and what not! The strategic management process needs to be trusted in order to align expectation with resources.

At first glance, expectation and reality might be contrasting terms. A definition of realistic is that it entails a true assessment or reflection of the current situation. In the example of the widow, she acknowledged the fact that she was deeply in trouble and searched for help and alternatives. If she did not acknowledge the reality of her situation, she would not have received help. In order to create an organisation with a habitat of expectation, the church needs, to use a hackneyed term, a “reality check”. It needs to accept, acknowledge and embrace the fact that there are issues or challenges that need to be identified and addressed in order to maintain a competitive advantage. The PIC strategic management framework gives the framework for the “reality check” in order to identify, analyse and address those issues.

However, the acknowledgement of challenges should not prevent the church from dreaming, imagining and expecting a better future.

5.2 *Setting strategic elements within the habitat of expectation*

Strategic intent, as the first element of the PIC strategic management framework, articulates something of the overarching ambitious goal of the organisation, and it stretches the organisation in terms of current capabilities

and resources that will not suffice. It also sets shorter-term objectives that can bring immediate change. It articulates something of the misfit between resources and ambitions and serves as a motivation for change in an organisation. Because formulating a strategy is a continuous process and needs constant adjustment and redevelopment, the organisation can always go back and tone down the statement of intent if it is found to be unachievable. Initially, dreams must be dreamed, and the organisation needs the freedom to imagine what it can be and can achieve! The principle of expectation is the setting or habitat in which strategic intent is determined.

In traditional strategic management processes, organisations tend to define only what is achievable or not, or what can be done with the resources available. According to Herrero (2008), narrowing down the choices often entails abandoning all those good ideas that are “not under our control” or would be too costly. Unfortunately, the ideas that could make the biggest impact are often never considered and dismissed far too quickly.

When choosing a strategy (element three of the PIC strategic management framework) within the habitat of expectation, it means that a strategic choice to end the services of a church and close its doors is simply not an option. This strategy fundamentally disregards the expectation of impacting society with the message of the transforming gospel as a core “product” of the church as organisation. When considered against the habitat of expectation, the strategic process needs to re-assess changes in the external as well as internal environment and imagine, dream and expect how it will transform people with the transforming “product”. It is important that the church not only have faith in the process of managing expectation but fundamentally have faith in the “product”. In order for the church to dream, imagine and expect change and transformation, it must have “faith” in its product (the transforming message of the gospel in all spheres of life and society). If the church as an organisation loses its faith in the efficiency and effectiveness of its core business or “product”, it will have no purpose and will easily terminate its service.

In other words, faith-based organisations cannot choose strategies that are contradicting the context of expectation. However, this does not exclude, for example, decline strategies to be employed within the habitat of the church as an organisation. In order to continue its mission, a turnaround functional strategy might still be appropriate to refocus and restructure the organisation in terms of personnel and assets to fulfil its mission. What is important within the habitat of expectation, though, is that decline and turnaround strategies must still bring new hope, expectation and enthusiasm to the organisation. If

the strategic process does not bring these three elements of hope, expectation and enthusiasm, it does not comprehend the habitat of expectation and faith and consequently will not succeed.

It is therefore important that expectation is accounted for in every element of strategic management. This will ensure that expectation is reflected throughout the strategic management process.

5.3 *The expectancy theory*

The proposed habitat of expectation is different from Vroom's expectancy theory developed in 1964. Victor H. Vroom developed the expectancy theory through a study of the motivations behind decision-making (Yale University, 1998). It is based on cognitive psychology and explains why individuals choose one behavioural option over another. The expectancy theory proposes different options in order to motivate people for better results. According to Lunenburg (2011:11), expectancy theory entails the following:

... expectancy theory is a cognitive process theory of motivation that is based on the idea that people believe there are relationships between the effort they put forth at work, the performance they achieve from that effort, and the rewards they receive from their effort and performance. In other words, people will be motivated if they believe that strong effort will lead to good performance and good performance will lead to desired rewards.

Some of the proposed guidelines for enhancing employee motivation include altering the individual's effort-to-performance expectancy where better performance from the workforce is expected. Also performance-to-reward expectancy where the belief that good performance will result in valued rewards should be increased and the valences of rewards where the different values linked to the achieved performance are increased. The principle underlying the expectancy theory is motivating individual employees to increase work performance by linking performance to reward (Lunenburg, 2011).

This is obviously different than the proposed habitat of expectation. The habitat of expectation is not based solely on individual effort or on the effort of a group as stated by Vroom's expectancy theory, but on the expectation that something great can be done even with limited resources. However, what the expectancy theory learned is that expectations can be managed. In other words, a strategic leader can influence people and therefore the strategic management process with a philosophy of expectation in order to get the desired results.

The influence of strategic leadership to establish a culture and context of expectation within the organisation is needed within the church as an organisation to effectively and efficiently manage the organisation in the realisation of its strategic intent.

6. No expectation means no need for strategic management!

Based on the empirical data, the perceived habitat of the Dutch Reformed Church is far from one of expectation. On the contrary, many churches are focused on survival (*Kerkspie l*, 2010), and agendas are set on maintenance. Leaders are often despondent, unenthused and without a clear vision of the future or understanding of their own role within the organisation (*Kerkspie l*, 2010).

Consequently, many members of the organisation doubt the future existence of the church as an organization (*Kerkspie l*, 2010). People are asking questions about the future existence of the church as an organisation, and even leaders are wondering about the future of the organisation. This is the reason why so many are looking for new careers and opportunities (*Kerkspie l*, 2010). Together with economic and political challenges, the church often struggles to believe that there is a better future, and it struggles to dream or imagine its own future as well as the transforming impact it can have on society.

If the church as an organisation cannot expect change and transformation coming in and through the organisation, it has no future and no need for management. Implementing strategic change will simply fail if it is done within a habitat where people do not believe that the church has reason for existing! An example is the Church Mirror Survey that found that 64% of the members of the church are not totally excited about the future of the church (see subdiv. 3.3)! A lack of expectation may also be one of the reasons why so many church leaders do not know where they are going because they simply do not have any expectation of what the future or impact of the church as an organisation can be. In those congregations and under that leadership, a strategic management process simply cannot start unless the habitat of expectation has become part of the culture of the management team as well as the organisation. Without expectation and imagination, a strategic process is doomed to failure! The preliminary step of any strategic action

in the church as an organisation should therefore be to determine the level of expectation in the organisation. This includes the level of expectation of its leaders and of the congregation. It is considered to be the preliminary step of the PIC strategic management framework. In fact, the whole strategic management process is imbedded within the habitat of expectation.

Determining the level of expectation in the organisation is quite simple. It involves questions to the leadership and members of the organisation regarding their own expectation. These questions of expectation are aimed at the internal as well as external environment of the church. Examples of some of the questions to determine the level of expectation are:

- Can you imagine this church having an impact in this area 10 years from now?
- What do you expect of God in this organisation? Can you imagine great things happening with limited resources?
- Can you imagine what can be done through utilizing the available resources hidden in this organisation?
- Do you believe that faith is still the fundamental 'ingredient' that can transform, influence and give hope to people and the organization?
- Can you imagine things changing in your organisation and you being a part of it?

These are only a few examples of determining the level of expectation in the organisation. Strategic leaders will have to address the issue of expectation before strategic action is taken. It is important to realise that the level of expectation is often directly linked to strategic leadership. Positive, enthusiastic leaders will influence the level of expectation in any organisation. This is confirmed when pastors move from one congregation to another. A new, enthusiastic leader almost always brings new hope and expectation to the organisation. In a way, the strategic management team will have to ensure that this level of expectation and enthusiasm is kept alive in the organisation. This can be done by an emphasis on the fundamental principle that characterises the uniqueness of the church as an organisation – faith that nothing is impossible for those who believe and can imagine!

Expectation within the church as an organisation can be enhanced in different ways. Some possible suggestions are the following:

- Continuously communicate or preach about the fundamental principle of expectation that kept the church progressing in its mission and purpose for centuries.

- Use stories as examples of how the church as an organisation “survived” difficult times through simply keeping faith and expectation alive. There are many extraordinary examples of how faith filled the gap between the resources available and a miraculous outcome. This is the way God upheld his church over thousands of years!
- Set the whole PIC strategic management framework and every action, plan and project within the context of “What do we expect the outcome to be”?
- Celebrate and communicate projects, actions and planning that lived up to expectation.

If there is no context of expectation, there is no reason for strategic management. Strategic leadership is managing expectation, the gap between what we have and what we expect. Expectation is needed in the church to manage the organisation with vision and enthusiasm.

7. Conclusion

The church as a faith-based organisation is differentiated on the basis of faith as a fundamental principle in its strategic intent, structure and functioning. The church has the advantage of looking back over the history of the organisation to see how faith and expectation filled the gap between what we have and what we expect, or even greater: what we could not even image can happen! Little resources fed many people. With few men, battles were won; with a little oil, many empty jars were filled! The church as an organisation, therefore, fundamentally functions within the habitat of expectation, and expectation is founded on faith, the unique characteristic of the church as an organisation.

The church as an organisation needs to be constantly reminded of the unique habitat to expect the unexpected. The habitat of expectation sets the agenda for the process of strategic management. The whole strategic management process is embedded in the habitat of expectation. The habitat of expectation implies that, if there is no expectation greater than the current available resources, a strategic management process is unnecessary. The need for strategic management is, therefore, defined by the gap between what we have and what we expect to have.

Continuous improvement is also fundamentally embedded in the habitat of expectation. Expectation will bring vision, vision will bring enthusiasm, enthusiasm will bring participation, and greater participation will bring ownership to the organization. This is the management of expectation that the church is in need of when strategically managing the organisation effectively and efficiently.

Bibliography

- EIKELENBOOM, E. 2005. *Organizational capabilities and bottom line performance: The relationship between organizational architecture and strategic performance of business units in Dutch headquartered multinationals*. Delft: Eburon Uitgeverij B.V.
- HENRY, M. 1990. *Matthew Henry's commentary on the whole Bible: Complete and unabridged*, Massachusetts: Hendrickson Publishers, Inc.
- HERRERO, L. 2008. *Disruptive ideas. 10+10+10=1000: The maths of viral change that transform organisations*. Beaconsfield: Meetingminds.
- HOOPEs, D.G., MADSEN, T.L. & WALKER, G. 2003. 'Guest editors' introduction to the special issue: Why is there a resource-based view? Toward a theory of competitive heterogeneity. *Strategic Management Journal*. 24:889-902.
- LUNENBURG, F.C. 2011. Expectancy theory of motivation: Motivating by altering expectations, *International Journal of Management, Business, and Administration*. 15(1):1-6.
- KERKSPIEËL, 2010. *Gemeentedienste netwerk*, viewed 04 January 2014, from <http://www.gemeentes.co.za/kerkspieel/2013-11-08-07-08-32>.
- KOKT, D., LATEGAN, L.O.K. & ORKIN, M. 2012. Reflections on multi-, inter- and trans-disciplinary (MIT) research at Central University of Technology, Free State (CUT). *Journal for New Generation Sciences* 10(3):136-148.
- MACMILLAN, H. & TAMPOE, M. 2001. *Strategic management: Process content and implementation*. London: Oxford University Press.
- MALPHURS, A. 2013. *Advanced strategic planning: A 21st-century model for church and ministry leaders*. Grand Rapids: Baker Books.
- MCELROY, M.W. & VAN ENGELEN, J.M.L. 2012. *The art and science of managing non-financial performance*. New York: Earthscan.
- OOSTHUIZEN, A.J., 2016, *Managing the household of God. A study on the managerial principles and skills needed in the effective and efficient management of the church as an organization*. Unpublished DTech Dissertation in Business Administration. Central University of Technology.

-
- OOSTHUIZEN, A.J. & LATEGAN, L.O.K. 2015. Managing the household of God: The contribution from management sciences to the sustainability of the church as an organization. *Stellenbosch Theological Journal* 1(2):551-568.
- SCHOEMAN, W.J. 2011. Church mirror: A critical survey. *Nederduitse Gereformeerde Teologiese Tydskrif*. 52(3/4):472-488.
- THOMSON, J. & MARTIN, F. 2010. *Strategic Management: Awareness & Change*. EMEA: Cengage Learning.
- YALE UNIVERSITY, 1998. Victor Vroom. viewed 11 January 2015, from <http://faculty.som.yale.edu/victorvroom/>.