

New staff structure
may be in store for FMB

By Robert Dilday

RICHMOND, Va. (ABP) -- A decentralized staff structure may be in the works for the Southern Baptist Foreign Mission Board, whose trustees discussed a proposed reorganization of their Richmond-based work force during the board's Aug. 16-18 meeting.

FMB President Jerry Rankin, elected in June, presented a preliminary outline of changes in staff structure he said he is contemplating and hopes to complete in time for trustee action in October.

Highlights of the plan include disbanding the top-level Global Strategy Group, creating a new post called overseas vice president, and permitting more missions strategy to be formulated by missionaries on the field.

In addition, the role of the five regional vice presidents, who administer the work of missionaries around the world, will be changed to an advisory or consultative one. Area directors, who are field-based liaisons between missionaries and regional vice presidents, will report directly to the new overseas vice president.

Assisting Rankin in fine-tuning the proposal is a 10-member committee of staff and trustees appointed Aug. 17 by Rankin and board chairman John Jackson.

During their three-day meeting, trustees endorsed the plan in general and gave specific approval to the new overseas vice president's position. A candidate for that spot may be presented as early as October, Rankin said.

Portions of Rankin's plan are reminiscent of the leadership style of Baker James Cauthen, board president from 1954-79, who gave every mission -- the organization of missionaries in each country -- the autonomy to devise strategy and draw up budgets.

In contrast, Keith Parks, a missions veteran who succeeded Cauthen in 1980, focused more decision-making in Richmond and created a cabinet of high-level administrators -- the Global Strategy Group -- to set worldwide policy and priorities.

Parks' centralized approach drew praise for its emphasis on accountability and was a key factor in the board's success in assigning so-called non-residential missionaries to countries closed to traditional evangelistic ministries.

But the diminished decision-making role of the individual missions was criticized by some missionaries who doubted Richmond fully understood needs in their regions. Rankin addressed those concerns in his comments to trustees.

"We must strengthen a sense of ownership on the part of missionaries in determining methodology and give them more involvement in strategy planning for which they are responsible for implementing," he said. "They must not be treated as employees restricted by a plethora of policies and burdened by a sense of corporate responsibility."

Rankin resisted direct comparison to his predecessors' styles, maintaining his proposal is an amalgam of both approaches.

"They (Cauthen and Parks) both provided appropriate leadership for their eras," he told reporters. "That's not necessarily the way we need to do things today."

He said his approach will be a careful balance between field autonomy on the one hand and accountability and global vision on the other.

Returning to "field-generated strategies ... does not imply business as usual, freedom to flounder, or all fields being treated with equal priority," he said. "However, it is imperative that we recognize the diversity of our world in terms of culture, history, responsiveness, opportunities and

maturity of Baptist work and give local missions latitude to determine the most productive application of personnel and resources."

In place of the Global Strategy Group -- which Rankin described as "a time-consuming, centralized administrative forum" -- a common global strategy will be devised by "the collective input and consultation of the area directors meeting in Richmond twice a year, representing the fields and area strategies," he said.

In addition, he indicated he and the overseas vice president, along with executive vice president Don Kammerdiener, would comprise a decision-making triumvirate to evaluate worldwide missions strategy.

Board chairman Jackson said trustees also would undertake a study of their effectiveness, perhaps restructuring themselves to complement the new staff configuration.

In other action, trustees named 47 new missionaries during their meeting, bringing to 3,958 the total number of mission workers employed by the board.

They also elected two new staff members: Thurmon Bryant as vice president of mission personnel and Clyde Meador Jr. as area director for southern Asia and the Pacific, an administrative unit of 480 missionaries in 15 countries.

Meador assumes the position held by Rankin before his election as president. A career missionary since 1974, Meador has been Rankin's associate since 1990. He will continue to be based in Singapore.

Bryant, who has been associate vice president in the office of mission personnel, fills the spot left vacant by Harlan Spurgeon, who resigned April 25 citing disagreements with trustees.

In his new role, Bryant will oversee matters related to enlistment, selection and training of new missionaries.

In comments to trustees, Bryant responded to a criticism voiced by Spurgeon, who said in April that actions by the conservative-dominated trustees has jeopardized Bold Mission Thrust, Southern Baptists' evangelistic effort to share the gospel with every person on earth by the year 2000. Spurgeon said trustee actions had eliminated the possibility of achieving a 5,000-member mission force in the next seven years.

"I am not giving up on Bold Mission Thrust," Bryant insisted. He said the board would reach the Bold Mission Thrust goal of 5,000 missionaries by the end of the century.

Bryant told trustees it is time to "widen the channel" for overseas missions service by Southern Baptists. Missionary candidates, he said, must still be theologically conservative, evidence a genuine call from God, and model a self-sacrificing style of leadership. However, some requirements -- such as seminary education and two years of stateside experience -- should be re-examined.

Bryant also urged trustees to deepen their understanding of world cultures and missiological issues, to enhance partnership-missions programs with state Baptist conventions, and to expand the role of volunteers in missions strategy.

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Sunday School Board expects
to reverse sales decline in '94

By Greg Warner

GLORIETA, N.M. (ABP) -- The Southern Baptist Sunday School Board adopted an aggressive \$233 million budget for next year, despite the fact most of the agency's traditional revenue sources are in decline.

Trustees and administrators agreed the board's new approach to doing business -- new products, aggressive marketing and cost-cutting measures -- will allow the agency to turn its financial picture around.

Trustees approved the 1993-94 budget during their summer meeting Aug. 16-18 at Glorieta Baptist Conference Center in New Mexico. The budget, the largest in Sunday School Board history, predicts a 16 percent jump in product sales next year.

But officials concede they are disappointed in sales so far this year.

Church literature sales, which account for about 40 percent of all board revenue, are 3.8 percent below budget after nine months of the fiscal year and 1.8 percent below last year's nine-month total. That comes on the heels of an 8 percent drop in literature sales last year.

Seven of the board's nine top revenue sources are below budget after nine months, trustees were told, and about half are below last year's nine-month totals. Overall, board revenue for the first nine months is \$148 million -- 2.8 percent below budget but 2.9 percent above the same period last year.

While sales in the board's 64 bookstores also are slightly below budget (0.8 percent), they are 6.4 percent higher than the nine-month total for last year, offsetting some of the losses in other areas.

Board officials said they were surprised by some of those nine-month figures -- particularly church literature -- but they remain optimistic about the next fiscal year, which begins in October.

The reason, they say, is that the Sunday School Board is in transition -- from a traditional, complacent denominational publisher to a lean, market-driven, all-purpose evangelical publisher.

That transition has cost the agency time and money, they note.

"This is a fix year, a year in which we have taken some hits," said trustee chairman Dan Collins, an attorney from Greer, S.C.

Trustees and administrators insist they can weather a couple of lean years while they fix what's wrong with the agency. "The board is incredibly financially strong," Collins reminded trustees as they closed their three-day semiannual meeting.

At the trustees' last meeting in February, board President Jimmy Draper cited a 10-year decline in sales as evidence the Sunday School Board had "lost its edge" and had taken on the characteristics of a "dying" company. He said drastic changes were needed, and in fact were underway already.

Although Draper said it would take several years to steer a new course for the agency, trustees at their most recent meeting already were heralding "a new day" for the 102-year-old board, the publishing arm of the Southern Baptist Convention. They praised Draper and his staff for the turnaround.

Among the changes:

-- The board's organizational structure has been revamped to streamline administration and decision-making.

-- Products and services that don't contribute to the board's bottom line have been eliminated.

-- New products have been developed that target the broader evangelical market.

-- A more aggressive marketing posture has been adopted, typified by the relocation and remodeling of some of the agency's bookstores.

-- Overhead costs are being brought more in line with industry standards.

The benefits of those changes are only now beginning to be felt, board officials told trustees. But the potential for growth is fueling optimism about the ambitious 1993-94 budget, which was adopted unanimously without opposition or discussion.

To meet that \$233 million budget, the board must take in \$32 million more in revenue than it is expected to receive this year. It also must cut

about \$4.1 million from already-budgeted expenses.

That cost-cutting process is underway, Draper said. He told trustees he will announce cuts of between \$2.5 million and \$2.7 million by the end of August.

Those cuts are the result of a corporate overhead study, which Draper said will eliminate 47 or 48 employees from the board's 1,700-person payroll. Details won't be released until affected employees are informed.

The cuts target the board's two non-revenue-producing areas -- corporate services and finance and administration -- eliminating unnecessary or low-priority functions.

A second overhead study is expected to trim another \$1.5 million from the board's revenue-producing areas in the coming months.

Job cuts and restructuring, though painful, are part of the retooling needed to get the Sunday School Board back on track, Draper said in his president's report. Although a high priority is being placed on cost-effectiveness, he said, making money is not the board's bottom line.

"The bottom line is touching people's lives," he said, and he cited examples of how the board's ministry has spread the gospel.

"To that end," he said, "I am willing to make the hard decisions ... to maximize the witness God gives us through this board."

Draper also highlighted products and services that are contributing to the board's effective ministry and financial turnaround:

-- "Life Support" products, the board's support-group materials, have brought in almost \$1 million so far this year and are on a pace to double last year's sales.

-- "Fresh Encounter" spiritual-growth resources, as well as other materials in the Lifeway line, are transforming lives "in radical ways," Draper said, and selling at a quick pace.

-- "Secret Adventures," a new four-part series of 30-minute videos for children and young teens, has sold 40,000 advance copies so far and is expected to sell 125,000 copies by the time the first episode premieres in October. The project, which represents an \$8 million board investment over three years, is expected to generate \$3 million in sales next year.

Success stories like those have convinced board administrators they are on the right track in retooling the agency and that the budget targets for next year are within reach.

The aggressive \$233 budget is the product of the agency's new strategic-planning process, trustees were told. Rather than letting budget planners divvy out the board's limited resources among the departments, administrators at the various levels are allowed to design projects and predict growth for the coming year.

"We let people say, 'Here's what I can do if you give me the resources to do it,'" budget analyst Joe Walker told trustees.

If revenue does not meet expectations, Walker said, it will trigger spending cuts in those non-productive areas, keeping the agency from overspending.

If everything goes as planned, at the end of the 1993-94 fiscal year the board will be left with \$4.7 million in carry-over funds for the following year -- which the not-for-profit board calls "funds provided from operations" and which for-profit companies call profit.

That \$4.7 million target would represent 2 percent of all revenue, a figure in line with carry-over funds from previous years. However, it would be a marked improvement from the 0.3 percent in carry-over funds projected for this year.

Walker said more spending cuts will be made if necessary to meet that 2 percent target in 1993-94.

Next year's budget also anticipates drawing down \$3.9 million from the board's reserves, less than the \$7 million projected for this year. But

Draper said the board might take out low-interest loans rather than drawing as much from the board's reserve accounts, which are earning a much higher interest rate.

In other business, trustees approved:

-- The addition of two new periodicals -- "Tapestry," a devotional guide for women, and "ParentLife," a magazine for parents of preschoolers and school-age children -- and the elimination of several periodicals.

-- A 3 percent price hike for church literature periodicals, beginning in April 1994, to cover increased production costs.

-- Rate increases for the board's two conference centers totaling 14 percent, to be implemented in four phases between June 1994 and September 1997.

Trustees also heard of plans for a capital fund-raising campaign to improve the two conference centers, at Ridgecrest, N.C., and Glorieta. Mike Arrington, vice president of corporate services, said a preliminary target of \$50 million is under discussion.

The campaign, tentatively set for 1995-97, would seek large donations and avoid any sources that would normally go to the Southern Baptist Convention's Cooperative Program budget, Arrington said.

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Overhead cuts 'good stewardship,'
Draper tells board trustees

By Greg Warner

GLORIETA, N.M. (ABP) -- Impending cost cuts at the Southern Baptist Sunday School Board, which will leave about 47 employees without jobs, will save the agency about \$2.5 million a year and bring overhead expenses down to a level comparable to similar businesses.

That was the assessment board President Jimmy Draper gave the agency's trustees Aug. 17 during their semi-annual meeting. But he said he would delay announcing the specific cuts until the end of August to give board officials a chance to break the news to affected employees first.

"We feel we owe it to them to go back and tell them face to face . . .," Draper explained.

Trustees don't have to approve the cuts, but they voiced general agreement with the cost-cutting measures, which are the result of a six-month corporate overhead study conducted by administrators.

Corporate overhead costs -- those expenses that don't relate to the board's money-making activities -- account for 23 percent of the agency's budget, far above the average of 13 percent spent by similar companies, Draper said.

The cuts will reduce overhead to about 15 or 16 percent, said board vice president Charles Wilson, although he added such an estimate is hard to ascertain and "dependent on a whole lot of other factors."

The cuts, estimated by Draper to be worth between \$2.5 million and \$2.7 million, are in two of the board's four operational areas -- corporate services and finance and administration.

Those two areas produce little or no revenue for the board but instead spend money earned by the revenue-producing areas -- church growth and programs, trade and retail markets, and the conference centers.

A second overhead study of the revenue-producing areas is expected to identify another \$1.5 million in savings, according to board estimates.

That second round of cuts, which Draper said could take four-to-six months to complete, would reduce total board overhead by an estimated \$4.1

million a year. If successful, that would bring expenses below the projected revenues of \$233 million in 1993-94.

In the first round of overhead cuts, Draper said, the majority of the savings will come from the corporate services area, which includes public relations, communications, strategic planning, information systems, marketing research and other functions. The cutbacks, which also include non-personnel expenses, target low-priority and duplicated services, administrators said.

Draper's staff had recommended deeper cuts, totaling about \$3 million and 52 employees, he said. But the president refused to cut the 1,700-person staff that deeply.

Although more than 47 positions will be eliminated, some affected employees will be offered jobs elsewhere in the board, Draper said. For the "47 or 48" who have no where to go, Draper said, the board will offer out-placement counseling and in some cases severance pay.

Trustees approved a change in the board's retirement policy to allow some of the affected employees to retire early. Those whose jobs are eliminated -- or changed so significantly that they can no longer perform the duties -- can take early retirement if their age and years of service at the agency total at least 70 years. The previous requirement was 80 years.

Anxious employees have waited apprehensively for results of the overhead study, which follows a year of corporate down-sizing in the wake of slumping product sales.

Last year 159 long-time employees accepted early retirement as part of a staff restructuring plan, but new hirings reduced the net loss of jobs to 84, trustees were told in February. The agency now has 1,741 full-time employees, about the same as when Draper became president in 1991.

Draper said he agonized over what positions and board functions to eliminate, before finally making up his mind on the airplane en route to the trustee meeting. "This has been the worst month of my life," he told Associated Baptist Press. But, he added, he wouldn't want it any other way.

"I don't ever want to be dealing with people's lives and their jobs and it be easy," he told trustees.

"We're doing what we have to do to be good stewards, and our stewardship is to the Lord," Draper explained. While he hopes Southern Baptists and others approve of the down-sizing, he said, God's approval is what matters.

"I don't think there is anything spiritual about waste," Draper added.

"Most of our employees" are supportive of the board's restructuring and down-sizing, Draper said, "although no one is excited about losing their jobs."

Trustees voiced approval of the overhead cuts, although no vote was taken or needed.

"It would be easy for a pall of gloom to come over us," warned Dennis Lunsford, a pastor from Humboldt, Tenn. "But we are going to leave here leaner and meaner and declare war on the real enemy, Satan. We should be saying 'To God be the glory.'"

Robert Tenery, a trustee from Mocksville, N.C., blamed previous board administrators for expanding the agency's staff unnecessarily. "We are realistically addressing some things that should have been addressed a long time ago," he said.

Draper assured trustees "the basic financial resources of the board are strong" and he denied the Sunday School Board is anticipating a financial blow next year. "In fact, we are expecting quite a jump in income next year," he said. "It's just simply a matter of good stewardship."

J. D. Grant, a pastor from Sylva, N.C., said he is concerned some people would interpret the cuts as part of "a witch hunt for people who don't agree with our philosophy."

But Draper insisted the cost cuts were applied fairly and impartially. "I don't think anybody (on staff) will say this is based on any kind of

factionalism or witch hunt," Draper said.

In addition to eliminating jobs, the overhead cuts are expected to rearrange the board's organizational structure, which underwent a major overhaul last year. But Draper denied the impending changes amount to "another restructuring."

"We're just admitting we weren't smart enough last year to have all the answers," he said.

However, an anticipated change in the finance and administration area was significant enough to prompt the resignation of the board's chief financial officer, E. V. King, Aug. 2.

King, vice president for finance and administration, said he was dissatisfied with the results of the corporate overhead study, particularly "the changing role of the chief financial officer."

Draper told trustees those changes meant "vastly enlarging the responsibilities of the financial officer."

"The position did not play to his (King's) strengths," Draper explained. "It was my feeling that E.V. could not fit that position. He agreed with that assessment. ... This was best for E.V. King. It was best for the Sunday School Board."

King, 50, has not talked to reporters since his sudden resignation. He remains on the Sunday School Board payroll through 1994 as a consultant.

Draper told ABP the restructured role of the financial officer will include some "corporate dealings" and interaction with the public, and may resemble a chief operating officer.

King's decision to leave immediately was "his choice," Draper said. He declined to specify how much King will be paid as a consultant because it is a "private agreement." But he said King's compensation is "within normal guidelines."

Trustees agreed to send King a letter of commendation for his nine years of work with the Sunday School Board.

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Florida CBF continues Hurricane Andrew relief

MIAMI (ABP) -- Armed with only a fledgling organization and paltry budget, the Cooperative Baptist Fellowship of Florida could easily have retreated in the face of Hurricane Andrew's overwhelming devastation and waited for a less intimidating Goliath.

Instead, the Florida Fellowship stepped immediately into the thick of battle, arriving on the scene a day after the hurricane hit Miami.

A year later, more than 160 families can thank the Fellowship Relief Coalition for their rebuilt or repaired homes. And thousands of others have benefited from the Coalition's two-pronged emphasis on spiritual and physical ministries.

With an expectation of continued support from the national Cooperative Baptist Fellowship, the Coalition is committed to staying in South Florida to address ongoing needs created by Andrew's invasion.

"Most relief agencies who had responded initially are no longer in the area, and virtually no one is ministering to the spiritual needs of the people we are reaching," reported project coordinator Tony Ponceti.

Ponceti, a layman from University Baptist Church in Coral Gables, has spearheaded the work along with a staff of two to three persons who have coordinated and managed the construction and repair of houses and churches.

The Coalition was created as a joint effort of CBF of Florida, the national Cooperative Baptist Fellowship based in Atlanta, and University

Church.

The Coalition has requested the assignment of a full-time missionary from CBF to give oversight to continuing ministries in South Florida.

In addition to utilizing volunteers and donated equipment and supplies, CBF of Florida spent more than \$100,000 for the relief ministry during the first five months of this year. The national Fellowship has also channeled more than \$72,000 from missions funds and designated contributions to the South Florida relief project.

Pat Anderson, coordinator of the Florida Fellowship, noted that one of the Coalition's emphases has been to target poor families in the areas hurt hardest by the storm. "Hundreds of volunteers from across the United States have logged countless hours to provide shelter for some of the poorest people in South Florida," he said.

To help poor families cope with the next severe storm, teenagers at a week-long Florida Fellowship youth camp this summer built more than 300 heavy-duty hurricane shutters as part of a hands-on missions project.

"Our approach," said Anderson, "has been to help those whom others are neglecting."

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-- By David Wilkinson, communications coordinator for the Fellowship

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