Episcopal Diocese of Central Pennsylvania
Diocesan Effectiveness Review

Prepared for the Bishop Nathan Baxter, Rev. Daphne Messersmith, Past President of the Standing Committee and Rev. Stephen Casey, Current President of the Standing Committee

September 2012

Introduction

This report was produced in keeping with the Letter of Agreement between Bishop Nathan Baxter and the Diocese of Central Pennsylvania that requires a Mutual Ministry Review to be done every three years. Under the auspices of the Standing Committee of the Diocese, a review committee was appointed – consisting of representatives of the Standing Committee, the Council of Trustees and a Member at Large. The Standing Committee adopted a change in the name and scope of the review to include a review of the effectiveness of the Diocese under the leadership of Bishop Baxter.

The Committee worked with a consultant appointed by the Diocese who provided the original design of our review. The report contained herein was prepared by the members of the Diocesan Effectiveness Review Team:

Mary Amato – Convener

The Rev. Janis Yskamp

The Rev. Ken Wagner – Pizza

The Rev. Gregory Hinton

Martha Harris

Samuel Ward

Note: This report was compiled before Bishop Baxter became ill in July 2012.

Table of Contents

Appendices

Scope of the Review

The Diocesan Effectiveness Review is a method for a diocese to periodically look at itself and see how well it is doing relative to its intended direction. It assumes that the diocese is, in important ways, being effective. The review is best used when there are identified missions, goals, or standards the diocese has selected. The whole organization is reviewed, with particular attention to leadership (the clergy and the Diocesan leadership), and stakeholders. It uses a combination of regular public print and digital documents, interviews, and sample case examinations.

Feedback, the degree of alignment between goals and documents, and the details revealed in the sample case examination, together provide a basis on which selectively to continue, modify, or discontinue current practices. Also, when conducted repeatedly each year or every several years, trends can be seen and acted on.

PHASES

1. Identify the occasion for, and intended use of the Review
2. Identify the topics of review: the mission, goals, and standards
3. Survey the "Public Data": regular public parish print and digital documents
4. Interview primary stakeholders, including the leadership
5. Select and research the sample case examination
6. Collate and analyze the data
7. Report and present review conclusions

Timeline

The Standing Committee initiated this review in accordance with the Bishop's Letter of Agreement that a process of Mutual Ministry Review would be conducted every three years. The last MMR was conducted in 2009 and was met with some concern both in terms of process as well as in its conclusions. It evolved into a performance review of the Bishop, rather than a mutual ministry review. In June 2011, the Standing Committee and the Bishop determined that a more holistic review process was needed. At the first meeting of the committee appointed for the Mutual Ministry Review, it was decided to change the title to the Diocesan Effectiveness Review to better reflect the purpose of this review.

The review committee agreed to use a process known as Appreciative Inquiry to document how well the Diocese is living into its mission. The Standing Committee agreed to this name change and Appreciative Inquiry approach during its September 24, 2011 meeting.

As defined by the Standing Committee and the Bishop, the Purposes and Goals of the Diocesan Effectiveness Review were as follows:

Purposes:

1. To determine the priorities for our ministries and the available resources of the diocese to implement the Strategic Plan

2. To review the effectiveness of all diocesan leadership in implementing the Strategic Plan. Leadership includes: Bishop, Council of Trustees, Standing Committee, Finance Committee, Commission on Ministry, Commission on Congregational Development, other Committees as deemed appropriate

Goals:

1. To discern the overall health of leadership ministry (pastoral/spiritual, administrative, strategic) and identify areas for improvement.

2. To assess diocesan strengths and weaknesses regarding leadership needs and develop a shared understanding of how to address those needs.

3. To determine and foster a spirit of mutual accountability for leadership among: Bishop, Council of Trustees, Standing Committee, Finance Committee, Commission on Ministry, Commission on Congregational Development and other Committees as deemed appropriate.

4. To model and encourage a healthy MMR process within individual congregations.

5. To teach the skills and spirit, vocabulary and vision for our continuing mutual discernment of ministry at all levels of leadership.

As defined by the Standing Committee, the goal of the Diocesan Review was to identify areas of alignment at the local parish level and Diocese wide with the five priorities of the Diocese. The four priority areas were identified in the Diocese's current Strategic Plan, as presented at Convention in 2010.

MISSION

Statement: Every congregation in the Diocese will be a place of spiritual nourishment, learning, hope, mission, and peace.
Goal: To encourage every congregation towards continual discernment of their call to serve and witness, locally and beyond; and to have a clear, current statement of their mission.

LEADERSHIP DEVELOPMENT

Statement: There will be an abundance of leaders – both ordained and lay working collaboratively to lead congregations in pastoral care, teaching, outreach, administration and worship.

Goal: To develop new models for educating, forming, and supporting lay and ordained leaders.

YOUTH

Statement: The Diocese will be blessed with children and youth who are currently engaged in spiritual formation, service, worship and other areas of parish and diocesan life; and are also being enthusiastically prepared, both spiritually and experientially, as Church leaders for the 21st century.

Goal: To focus on strengthening ministries and programs of inclusion and formation for all children and youth in congregations and in the Diocese.

COMMUNICATIONS

Statement: Every individual, congregation, commission/ committee, convocation, and group within the Diocese will feel listened to and informed on a regular basis.

Goal: To assure all communications are clear, connecting, informing, and enabling between our diocesan agencies and staff and our congregations and convocations; and between our churches and the public. And further assure that our resources for communications are technologically appropriate and available to all congregations in the Diocese.

Overview of the Process

In June 2011, the Standing Committee approved the process for conducting the Diocesan Effectiveness Review. Funds were allocated by the Diocese to retain a consultant and the Rev. Conrad Selnick was retained for that purpose. A letter was sent by the Bishop and Rev. Daphne Messersmith, President of the Standing Committee to all clergy and leaders in the Diocese announcing the Review process.

The Review Committee held its initial meeting in Harrisburg on September 24, 2011 with Rev. Selnick. The process was outlined and the Committee organized itself for the task ahead. Individual members were charged with gathering the public documents, both in print and digital form, from every parish that would enable a comprehensive review of attendance, fiscal strength and changes in programming over the past five years. A review of all the parish websites was begun.

The members of the Review Committee who serve on the Standing Committee and Council of Trustees kept these leadership groups informed of the Review's progress. The Review committee met seven times via Skype and conference call in between its two in person meetings in Harrisburg to keep the Review process moving forward. As the public materials were received by individual committee members, the group determined what information could be gleaned from their survey of these public documents.

A selection of Diocesan leaders, clergy and lay leaders were assigned to be interviewed. Confidential summaries of each interview were prepared and uploaded into a secure Dropbox folder for review by the committee.

Four members of the Review Committee met with Rev. Selnick in Harrisburg on April 14, 2012 to begin assembling our report to the Bishop and Standing Committee. The committee worked over the summer to process input received through an Open Mike session before the annual Diocesan Convention on June 8, 2012, and an online survey was sent to all members of the Diocese who have a registered email address with the Diocesan Center.

The survey consisted of a series of open ended questions that were sent via email to the 800 email addresses registered with the Diocesan Communications Office. The survey requested the following responses in the form of Three Wishes and a Plus:

1) What are the Diocese's strengths?
2) What does the Diocese do well?
3) In what ways does the Diocese meet your spiritual and church community's needs?
4) Your wish: What do you think Diocesan leadership can do better? How can the Diocesan leadership be more responsive to your needs? What can we do differently, change, add?

81 people responded to the survey during the two week period that the survey was open for responses. Of those, 65 were lay members of the Diocese and 15 were clergy. Responses were received from all Convocations – with the bulk of responses coming from parishes with fewer than 500 parishioners.

A Summary of the Survey Responses can be found in Appendix A.

The input from the survey, the Appreciative Inquiry process, review of parochial reports and other data submitted by local parishes, and the work of our DER Team, produced this report.

Data Summary

Individual members of the Review Committee contacted each parish in their respective Convocations to request the following public documents: five years worth of parochial reports, annual reports and budgets, one year's worth of newsletters. In addition, a comprehensive look at each parish website was conducted by Mary Amato, the convener of the Review Committee.

The Committee received public documents from 6 of 10 parishes in Harrisburg Convocation + budget from a 7th; 8 of 11 in Susquehanna Convocation; 2 of 7 from Southern Convocation, 5 of 11 in the Altoona Convocation, 7 parishes in the West Branch Convocation, 3 parishes in the Northern Tier and all 9 parishes in the Lancaster Convocation. The level of information varied by parish, but overall created a picture of stability; while some parishes are shrinking as their local economies decline, other parishes are thriving and attracting new members through new vigorous programming. Many of the parishes who responded are small and facing enormous financial pressure.

The Committee's review identified strong activity in both large and small parishes consistent with the four Diocesan strategic priorities. A review of our parish newsletters and annual reports found encouraging examples of Christian formation for children and youth consistent with the size of the parish, lay leadership and outreach to those in need in Diocesan communities and elsewhere.

Website Review

In the age of increasing reliance on digital communication, the good news is that the majority of parishes in our Diocese have a website that is kept current. However, at the time of our review, we found that at least 10 churches did not have a website even though some of those churches have a Digital Faith website host address listed on the diocesan website. Although many churches have websites, some have not been updated in months and in some cases years. Some were very good at displaying the information but some were not very intuitive in their navigation – making it difficult for visitors to obtain the information needed.

The information that most want when visiting a church website include:

- Worship times
- Location and directions
- Current information
- Contact information
- Calendar of Events
- Youth information

In most cases, the last three bullets points were found by reading through newsletters rather than under a tab on the church website. When information such as a monthly calendar, worship schedule, youth events are tabs on the website, it gives the visitor an introduction to how active a parish is, what its mission is, its outreach commitment etc. While many of the churches in our diocese are very active in mission, youth and outreach, you would not know that by visiting their website. The website can tell a wonderful story about a parish.

When a parish uses Digital Faith to host its website, their information is shared with the diocese. Their "story" reaches others and can help to build relationships and share ideas and resources.

Of note, our review of the public documents submitted by the parishes found little concrete evidence of communication or involvement with Diocesan life. Several parishes include the Diocesan digest with their newsletters to parishioners. Other parishes have direct links to the Diocesan website on their parish website. All parishes promote the annual visits of the Bishop to their congregation. *Our review of parish websites can be found in Appendix B*.

Leadership Interviews

During the spring of 2012, the DER Committee interviewed the leadership of the Diocese, including Bishop Baxter, Canon to the Ordinary Ted Babcock, Rev. David Zwifka, Rev. Robyn Szoke

and Linda Arguedas from the Diocesan Office. From the Standing Committee, the following individuals were interviewed: Rev. Patrick Collins, Rev. Cliff Johnston, Rev. Tom Reeder, and lay members, Sanford Schwartz and Dorothy Kapnic.

The interviewees touched on the following strengths and weaknesses in our Diocese:

Strengths:

- The past year has produced many changes in the Diocesan center – new personnel, reduced personnel and expanded work assignments for the clergy and lay people who work there.
- The appointment of Rev. Robyn Szoke has brought a new energy and focus to the important missionary work around children, youth and families.
- A new streamlined organizational structure is easier for the Bishop and Canon to the Ordinary to manage as the work of smaller committees is now organized under two Commissions: Congregational Development and Children & Youth Ministry & Development.
- Effective use of new communication technology in the Diocesan Center – Internet enabled conferences through Skype and conference calls. Improved communications throughout the Diocese through an electronic weekly newsletter, Diocesan Digest
- More respect for the time commitment involved in Diocesan meetings. As an example, the 2012 Convention was held in one day at a hotel in State College, saving both time and money for the Diocese and the delegates to convention.

Weaknesses:

- Several clergy expressed a feeling of disconnect between the clergy and the Bishop. This situation is exacerbated by recent correspondence between the Canon to the Ordinary and the Rectors of parishes concerning their Fair Share payments to the Diocese and attendance at mandatory training for all clergy on Safeguarding God's People.
- Slow response by Diocesan staff to emails and phone messages. Some interviewees expressed dissatisfaction to hear a recording stating the hours the office is open during the time the office is open.

Each of the interviewees commented on how the structure and work of the Diocesan office had changed – with the advent of new technology such as Skype, use of online tools such as email communications (Diocesan Digest) and a new streamlined organizational chart that relies on several commissions to carry out the major functions of the Diocese, rather than a slew of smaller

committees. Overall, these changes were seen as improvements – yet the pace of change is creating some feelings of being left behind.

Some questioned why we did not interview more people – the nature of the process outlined by our consultant focused heavily on quantitative review, supplemented by appreciate inquiry to gather qualitative information. Slightly more than half of the parishes responded to the DER team's request for the past five years of budgets, annual reports and most recent newsletters. In response to this concern, the Standing Committee convened an input session prior to the start of the annual convention, and following convention, a survey was sent to all who receive the weekly enewsletter from the Diocese, the Diocesan Digest.

Diocesan Reorganization

At the 2011 Annual Convention the Diocese presented a re-organization of the administrative structure of the Diocese. Many of the committees, commissions and offices of the Diocese were re-organized to better reflect their mission and accountability to the Bishop. In addition, this past year the Diocese employed a new Director of Finance and Diocesan Administration. The Rev. David Zwifka was hired to this part-time position on August 15, 2011. (Fr. Zwifka is also the part-time Rector of Mark's, Lewistown).

At the September meeting of the Council of Trustees, Fr. Zwifka confirmed that primary revenue source of the Diocese is the annual Fair Share contributions from each of the congregations in the Diocese. The Finance Committee calculates annual Fair Share contribution for each congregation and contacts them at the end of the year so they can add it to their own budgets for the coming year. He indicated the Diocese continued to analyze and review the formulations used for calculating the Fair Share, as well as the framing of the collection and use of the Fair Share contributions. The Diocese also has conversations with the congregations concerning their Fair Share contributions. And, in particular, the Diocese explores ways the Diocese can help the congregation to use the Diocesan resources to accomplish their Fair Share giving goals. The year-to-date Financial Report revealed a shortfall of Fair Share contributions. There were approximately 6 churches significantly behind in payments, with another 6-10 parishes 30 days behind. While the expenses were under budget, it was necessary to cut back approximately $150,000 due to the congregations that were behind in making Fair Share contributions.

Fr. Zwifka also reported that the budget contained a number of items that did not reflect the actual revenue stream because the account does not reflect the actual use within the Diocese. As part of the re-organization process of the Diocese, the Finance Committee was pursuing further changes in the presentation of the budget to increase the transparency and create a clearer communication tool for the diocese.

At the January 2012 meeting of the Council of Trustees, budget requests for the next fiscal year are presented for review and consideration. The Council of Trustees was informed that the application for the budget requests had been modified to clarify the use of the funds requested. In addition, the 2013 Proposed Budget was being prepared as a 'zero-based budget'. These changes

were being made to reflect the move toward an outcome approach to planning the budget. The outcome would be focused on the Diocesan Vision Statement presented and approved at the 2011 Annual Convention. Following this meeting, each member of the Council of Trustees was requested to review the budget requests and prioritize them for funding.

At the April 2012 meeting of Council of Trustees, the proposed budget for the coming year was reviewed and approved. Many of the members of the Council of Trustees were confused at the January meeting. The items for the meeting were not presented to the members until an email sent the previous day. There was no indication in the materials of the changes that were being made. As a clergy member of the Council observed, "I do not feel that we were prepared for the meeting properly. I did not know that we were going to a zero based budget."

The 2013 Diocesan Budget as presented at Convention notes that the move to an Outcomes Based Budget will take another full year to come to fruition.

Gathering Input from Across the Diocese

In addition to the interviews with Diocesan leaders, including the Bishop and Diocesan staff, the Standing Committee held a special input session on Friday evening June 8, 2012 prior to convention, to review how the Diocese has changed over the past five years, and to have an open dialogue on the state of Diocesan life. In lieu of the fact that we did not hear from most of the parishes, we elected to review the parochial report data that is stored on the national church website (www.ecusa.org).

Our review of the past five years of parochial report data from the parishes in our Diocese revealed some noteworthy trends:

1) While membership in the Diocesan parishes declined over the past five years, worship and Church school attendance remained fairly constant (Chart 1)
2) More than half of the 65 parishes in the Diocese are operating in the red by 2011 (Chart 2)
3) The number of parishes who seek financial assistance from the Diocese (2008 – 2011) (Chart 3)
4) The percentage of operating revenue provided by the Diocese in those parishes receiving financial assistance (Chart 4)

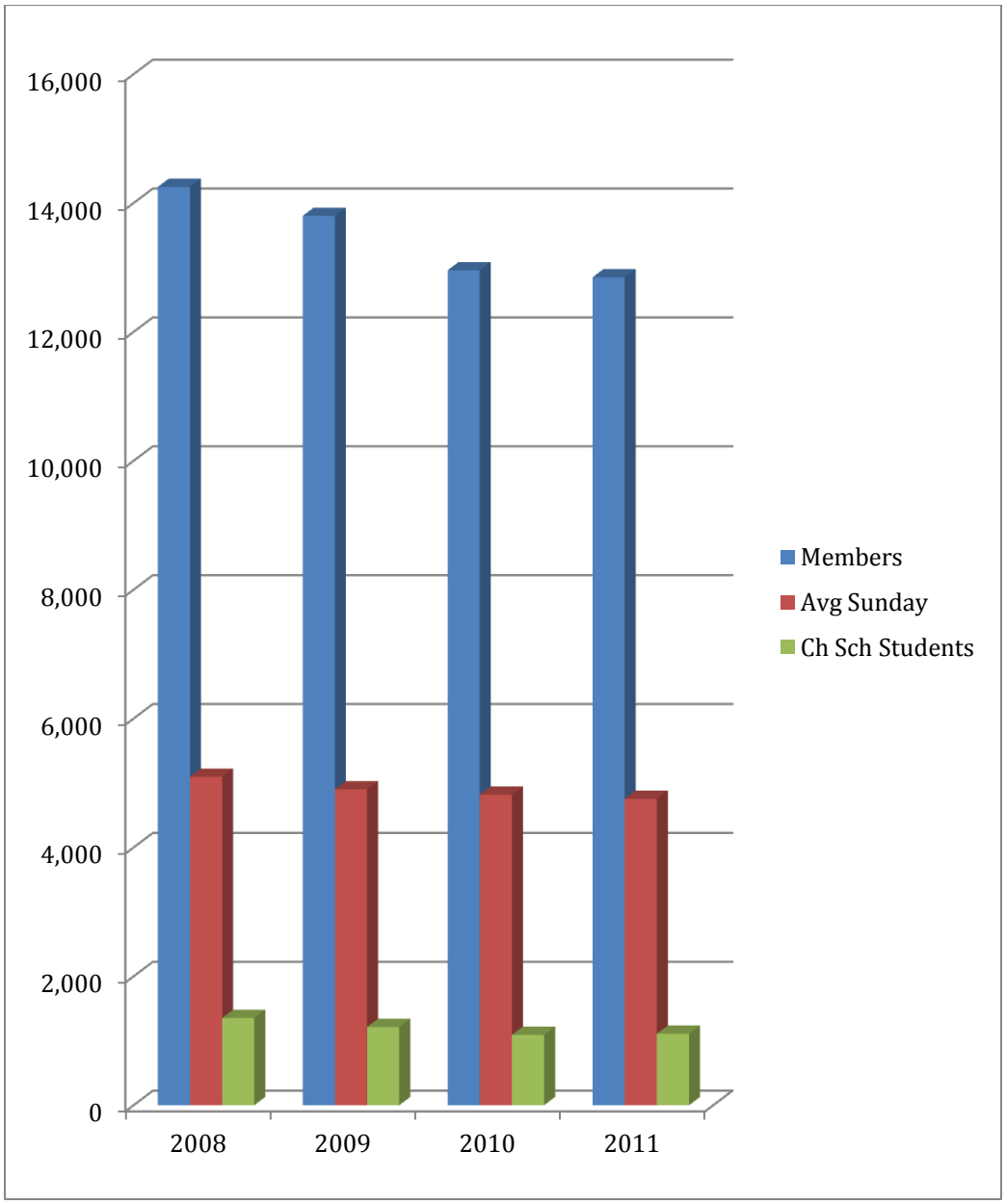


Chart 1 – Comparison of Membership, Average Sunday attendance and number of Church School Students in Central PA Diocese parishes 2008 - 2011

Diocese of Central Pennsylvania

Comparison of 65 Parishes' Revenues and Expenses

Number of Parishes

	2008	2009	2010	2011
Black	32	33	33	27
Red	33	32	32	38

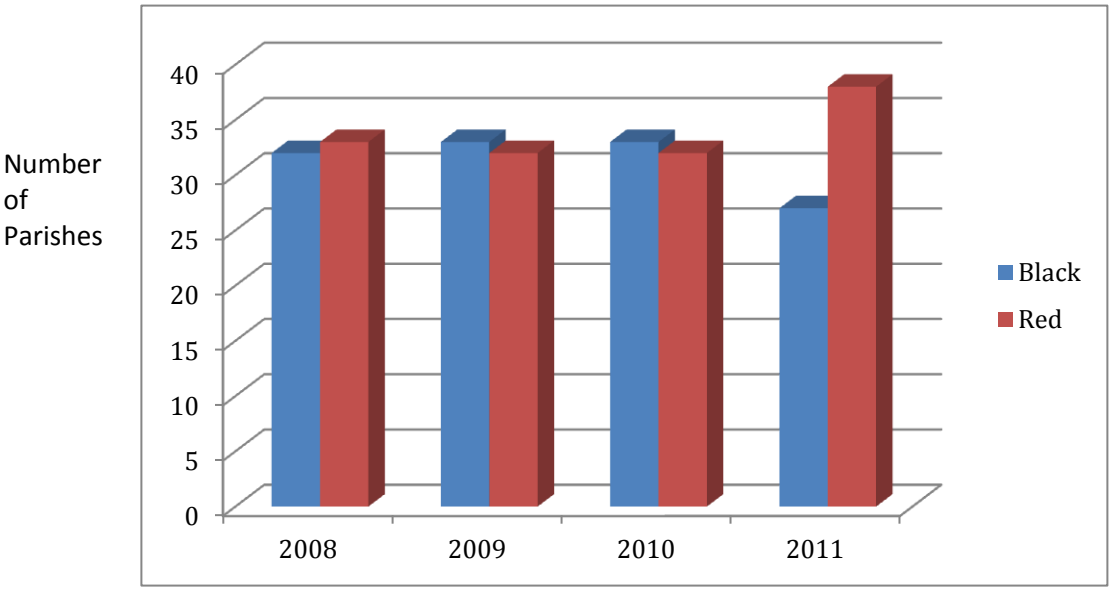


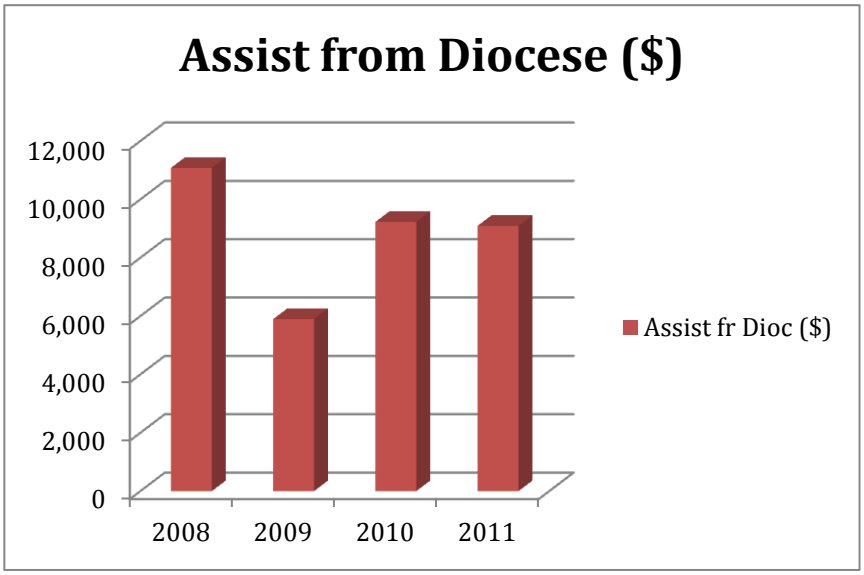
Chart 2: Comparison of Operating Deficits of all parishes in Central PA Diocese

Year	Number Parishes	Assist fr Dioc ($)	*Assist fr Diocese as % of Oper Rev*
2008	14	11,081	*4.36%*
2009	12	5,896	*3.69%*
2010	12	9,229	*5.45%*
2011	12	9,094	*10.64%*

NOTES:
A few small parishes do not submit parochial reports each year.

Parishes may not necessarily report their data consistently.

While number of parishes receiving assistance does not vary widely, specific parishes may differ from year to year.



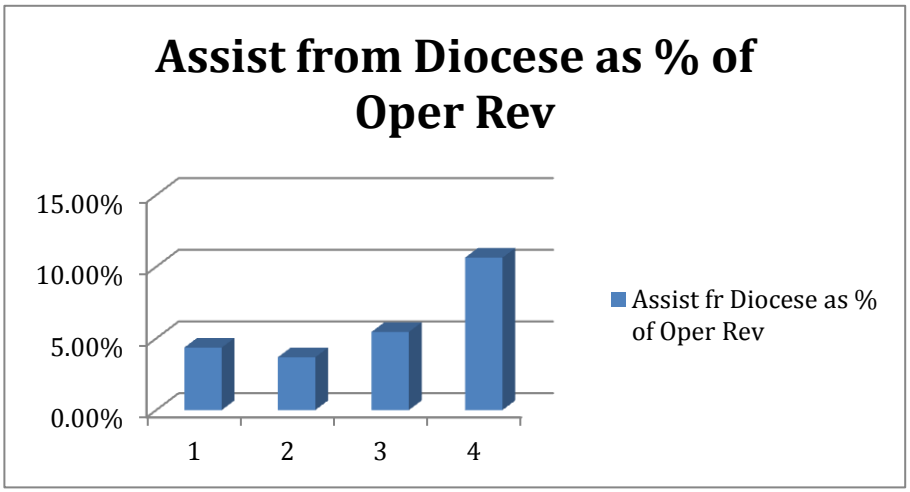


Chart 3 and 4 – Analysis of Parishes requiring financial support from the Diocese

Observations and Findings

1) Leadership Development: The Diocese is in the process of redefining its role as a Diocese and identifying ways in which it can operate more efficiently and effectively in pursuit of its mission. New commissions have been formed to streamline key governance functions and reduce the number of reporting lines to the Bishop. There is new leadership within the Diocesan office (Canon to the Ordinary, Chief Financial Officer, Chief Communications Officer, Canon for Children & Youth Ministry & Development) who work well together and are working hard to respond to the challenges that parishes are facing.

   Many changes are positive yet the pace and the scope of the changes are also causing stresses. Not all changes are communicated broadly in advance – or with much opportunity for input from those who will be affected or need to know. This is a consequence of a dynamic organization that is in the midst of change. Yet, how those changes are communicated and ultimately implemented will determine whether the changes produce a successful outcome.

2) Use of Technology: The last several years has seen a tremendous investment being made by the Diocesan staff in response to new cost effective technologies, such as Skype, for virtual meetings, and mass communication email software that can be readily customized for timely messages. The increased reliance on email and the Internet has helped to ease the impact of distance in our geographically spread out diocese.

3) Greater collegiality: At the diocesan office level, interactions have become much more collegial with each available to help one another. ("The doors are open.") This is particularly important in these times of limited staffing. Clarity and transparency are becoming more evident in the work of the Bishop and his central staff. The Bishop and staff are very involved in helping clergy and parishes when problems arise. This is not to say that there is never friction, as relations between individuals are rarely entirely smooth.

4) Communications: In getting a response from the diocesan office, one priest suggested the person he was talking to should get in touch with a certain staff member at the Diocesan Center and she would make sure a response was obtained. As for more general communication, the diocese is providing the tools, and lack of perceived communication is in part a failure to make use of them. (How many visit the diocesan web site, and how

often? And the same is probably true at the parish level.) However, there is always the problem that when one thinks information has been communicated, someone will feel they have been left out.

5) Mission is easier to understand at the parish level where specific activities can be listed and funds can be raised for specific causes. The Diocese encourages these activities by letting people know of them on the diocesan web site. It is more difficult to undertake diocesan wide mission projects to which members of the diocese can feel connected. One such that seems to get little mention is our companion relationship with Sao Paulo; a number of parishes have companion relationships with parishes in Sao Paulo, but rarely is that noted in the material we reviewed. Another that gets little press is the activity of the emergency response teams. (The exception was the response to Hurricane Katrina.) Another example, not so recent, was the ECW funding of a birthing center in the diocese of South Rwenzori; several parishes provide scholarship support for students in that diocese, and there was and may still be one-on-one contact between members of our diocese and families afflicted with AIDS. Finally, the Diocese makes appeals for ERD in support of relief efforts in places such as Haiti, Japan, and Indonesia.

6) Youth: The Diocese offers a good variety of youth events, but participation appears to be low. This may be because information is not passed along, the youth are too involved in other activities, or for other reasons. Some parishes offer youth work weeks and other parishes have been known to send their youth along. Christian education is offered where there a few students and a willing teacher can be recruited; thus availability is dependent on the size of the parish.

7) The Annual Convention – held on June 9, 2012 at the Ramada Inn and Conference Center in State College, signaled a new format and timetable for the annual gathering. Friday night meetings were optional – and informational in nature. The business sessions occurred on Saturday morning, and early afternoon. The convention closed with Compline – all delegates and clergy were able to return to their home parishes that evening.

Our review confirmed that the Diocese of Central Pennsylvania is in transition as many parishes struggle with financial issues due to changes in their local economy and national trends. Strong leadership will be required to manage the changes in the Diocese –at both the central office and in the local parishes. Increased transparency in decision making, the speed and use of communications technology can help knit the disparate parishes of the Diocese together. A spirit of partnership and mutual respect between the Bishop and his staff, local clergy and laity will go a long way to help the Diocese to live into its mission for many years to come.

Note: This report was compiled before Bishop Baxter became ill in July 2012.

Appendix A

SUMMARY OF SURVEY RESULTS

(81 responses total)

First Plus – What are the Diocese's Strengths

Positive

- Episcopal Home
- Staff
- Website/Communication
- Bishop
- Willingness to be inclusive
- Resources
- Active laity
- Youth Programs
- Moving of Convention/0ne day convention
- Support through Project Grants, Congregational Development Grants, Operational Grants
- Fact that survey is taking place

Negative

- Need to communicate better
- "Old Boy" network

Second Plus – What does Diocese do well?

Positive

- Youth Events
- Workshops i.e. Safeguarding God's children, stewardship, issues coming before General Convention
- New ideas – i.e. changing location of convention
- Website
- Operation Understanding
- Communication
- Support of small parishes
- Internet Communication
- Podcast – Advent/Lent

Negative

- Discourage lay leadership
- Very little – costs beyond benefits

Third Plus – In what ways does the Diocese meet your spiritual and church community needs?

Positive

- Special services i.e. ordinations
- Diocese is reachable
- Youth
- Canons and liturgy
- Operation Understanding
- Jubilee ministry support
- Visitation
- Grants
- Workshop
- Digital Faith
- Being heard
- Staff

Negative

- Only interested in Fair Share contribution
- People unaware of new organizational structure
- Location of workshops
- David – answering/returning phone calls and emails
- Carolyn tends to be dismissive

Your wish – What do you thing Diocesan leadership can do better? How can the Diocesan leadership be more responsive to your needs? What can we differently, change, add?

- Improve communication especially in providing information to elected and appointed committee members
- Renewal of AIDS commission
- More transparency
- Need for mission focus – perhaps new focus announced each year at diocesan convention
- Move to deanery system
- More support for youth program
- Sensitivity to Fair Share assistance

- Timely response to email, real voice not recording during business hours, staff available to admit visitors at all times during business hours. Change greeting on voice mail. Use technology to let callers/emailer know you may not respond quickly if you are out of the office.
- Same names in leadership positions. Move meetings throughout diocese to encourage better participation. Encourage laity. Incorporate youth when possible
- Provide blessing for lay not interested in priesthood
- Quick access and feedback from Bishop especially in bishop-related matters. Opportunities for dialogue in diocesan meetings. Not just the Bishop talking.
- More efficient clergy deployment
- Affordable location for vestry retreats
- Better response from the Bishop. Bishop difficult to reach.
- Bishop and staff need to remember they are servants to the diocese
- Less mandates i.e. renewal of vows during Holy Week, Safe Church training
- Regional trainings and workshops

Appendix B

(sent separately as an Excel File)