

How a modern parish can succeed in these stark, complex times

Charles Zech | Jun. 21, 2014

Viewpoint

The Catholic church in the United States today faces stark and complex challenges. Suburbanization is shifting the church's center of gravity away from the inner cities while ethnic diversity among congregations is rapidly increasing. Shrinking attendance and donations are imposing real financial constraints on parishes. All of these trends are further compounded by a dramatic drop-off in the number of clergy and vowed religious.

The church is not a business, but it does have a stewardship responsibility to use the scarce resources that are available to it as effectively as possible. So how can best practices from the private sector be used to meet these challenges? A strategy centered on "Customer Relationship Management" (CRM) and effective use of technology can guide the way.

If the American Catholic church is going to survive and thrive in the 21st century, it needs to borrow some lessons from the private sector to serve a more diversified and waning membership with fewer human and monetary resources. This will require a new view on the importance of sound business management techniques, both in managing churches and in managing people.

The financial picture for many parishes is both a barrier and an opportunity. During the last four decades, the typical Catholic household has reliably contributed 1.1 to 1.2 percent of its income to the parish. This percentage is not in freefall as of late, but, considering that the typical Protestant household has reliably contributed 2.2 to 2.5 percent of its income to its congregation, Catholic churches are chronically underperforming. If harnessing the power of new technology and "customer service strategies" could convince U.S. Catholic households to simply give at the same rate as their Protestant friends, U.S. Catholic parishes would realize another \$8 billion in revenue each year.

The challenges related to clergy attrition are more demoralizing, however. According to the Official Catholic Directory, the U.S. had 58,632 priests in 1965, but by 2013, that number had decreased by 32 percent. During that same period, the decrease among nonordained religious was even more dramatic. The number of religious sisters fell by 72 percent and the number of religious brothers decreased by 64 percent.

Proprietary firms have learned how to use technology to increase their ability to personalize their interaction with their customers under the rubric of CRM. Parishes can adapt some of what these companies have learned and apply them as "Parishioner Relationship Management," or PRM.

The use of technology allows parishes to integrate internal processes to build better relationships with their parishioners than had previously been possible. By combining the abilities to respond directly to parishioner requests and to provide them with a highly interactive, customized experience, parishes have a greater ability to establish, nurture and sustain long-term parishioner relationships than ever before. These capabilities complement personal interactions provided through the clergy and parish staff.

At a strategic level, PRM is focused on allocating resources where they maximize the value of staff and clergy

time, as well as create a church culture that is focused on parishioners and highly responsive to their needs.

On an analytical level, PRM can systematically capture, store and interpret data that can be used to improve the parishioner's experience and feelings of connectedness to their church. The goal should be to deliver timely, relevant and customized information, thereby enhancing parishioner satisfaction. Achieving this offers the prospect of more effective parishioner retention and evangelization programs in addition to increased giving.

Implementing PRM involves the following steps:

- Identify who the parishioners are. Build a deep understanding of them by constructing a database of parishioners. Included in the database is a parishioner's demographic characteristics, history of parish activities, and responsiveness to past parish communications.
- Analyze the data to differentiate parishioners with the intent of identifying parishioner segments.
- Interact with parishioners to ensure that the parish staff understands their expectations and their relationships with other community options.
- Customize programs and communicate them individually (e.g., email) if possible to ensure that parishioner expectations are met.
- Increased emphasis placed on developing measures that are parishioner-centric and give parish staff a better idea of how their PRM policies and programs are working.

Building the strong responsive relationships that PRM can enable is the foundation of a church's fundraising efforts, as increasing parishioners' participation in other parish activities is typically reflected in enhanced financial support for the parish. Studies have shown that parishioners who volunteer their time to the parish contribute more, and those parishioners who assume a ministry mentality -- as opposed to a volunteer mentality -- typically double their weekly contributions. Utilizing PRM to make a large, impersonal parish seem more personal can be an effective way to bridge this gap.

A one-size-fits-all approach will not be successful in most Catholic parishes as we move through the 21st century. Parishioner Relationship Management, with its focus on targeting and meeting the needs of individual segments of the parish, will become critical. To meet the needs of a diverse parish population, parishes are going to have to work on responding directly to parishioner requests and providing them with a highly interactive, customized experience without replacing personal contact. If they don't, they can be assured that other churches will.

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