

WHAT A CHURCH STOLE FROM STARTUPS (AND WHAT STARTUPS COULD STEAL FROM CHURCHES)¹

By

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“Seek the truth, come whence it may, cost what it will.”

(Inscription over the entrance to the Bishop Payne Library at Virginia Theological Seminary)

Lean before Lean Was Cool

This article is the basis for a presentation Ken Howard delivered at the **Lean for Social Good** summit in Washington, DC on March 26, 2014, sponsored by **LeanImpact.org**, a group dedicated to promoting the principles of **The Lean Startup** by Eric Ries in the non-profit/social change sector. The path to the summit started six months earlier. Jon Howard was attending a **Lean Startup** conference in San Francisco, when somebody tweeted a question, “Has anyone applied Lean principles to churches?” To which Jonathan answered, “I don’t know if he’s read the book, but this is what my dad has been doing at his church for the last 18 years.” Ries re-tweeted the comment to his gazillion Twitter followers, and before you knew it, Ken was invited to speak at the summit.

Ken Howard on What a Church Stole from Startups

Rewind...

Two decades ago I left a successful consulting practice specializing in corporate right-sizing and non-profit board effectiveness to become a priest in the Episcopal Church. My first solo call was to start a new church. As it was the first by our diocese in several decades, none of us *really* knew what we were doing. Assumptions, shoulds, and oughtas we had in abundance. But when the meaning of “Church” is shifting underfoot, reality-tested knowledge is in short supply and there are no experts.

So off we went, to “boldly go where no one [in our diocese] had gone before”...with the blessing of our diocese (sort of), just enough funding to get ourselves in trouble, along with just enough freedom to do it. We were so naïve. But that was a good thing, because as the saying goes, “Anything is possible when you don’t know what you are talking about.” Our naiveté set us on the path of creative thievery: a life of shared exploration, seeking out organizational truth wherever we could find it, stealing it, and creatively adapting it to our context. In short, we started thinking and acting like the startup we were. In “Lean” lingo, what we were stealing fell into six categories: (1) Creating an Entrepreneurial Culture, (2) Creating a Minimum Viable Product, (3) Testing Our Assumptions, (4) Rapid Iteration Prototyping, (5) Eliminating Waste, and (6) Measuring What Matters. And we added a seventh of our own: Minimum Viable Belief.

Creating an Entrepreneurial Culture

How many church leaders does it take to change a light bulb? Five: one to change the bulb and four to talk about how great the old one was. Churches are creatures of tradition. *Tradition* is good. Tradition is respecting learning that has passed the test of time: not learning anew how to tie your shoes every morning. *Traditionalism* is bad. Traditionalism happens when we stop testing our tradition and start worshipping it instead, depriving ourselves of our ability to learn, adapt, and survive.

With just three years of partial funding and a shifting paradigm of Church, we quickly concluded that we could not afford the luxury of traditionalism. With three years to become viable, it was innovate or die. We decided that we were our diocese’s department of R & D, and began to create a vision-centered culture in which vision-driven experimentation was valued. In an ironic twist on the famous “Failure is not an option!” dictate of the CapCom of Apollo 13, our credo is “Failure is not an option...it comes as

standard equipment.” In other words, failure is a prerequisite for learning... and, ultimately, for success. If you visit my office, you will find on my desk a basket of green light bulbs. The message: You have a “green light” to try out something new. Yet we also manage to use some of our deepest traditions to *promote* innovation: tying our experiments to appropriate liturgical seasons (“let’s give up an old way of doing something for Lent”). We discovered that even people who said they hated change might be willing to try an “experiment.”

Minimum Viable Product

A basic principle of Lean is the idea of starting with a Minimum Viable Product (MVP), saving time, effort, and money by testing your product idea in its simplest and least inexpensive form: no bells and whistles, but full functionality. In my congregation, every time we start a new worship service or educational program, we roll out a simple version of it for a single church season, see how it works, then tweak it or toss it. The advantage of this approach is that if we test small, we can tweak quickly and inexpensively. Similarly, if it’s simply a bad idea, we find out without experiencing a huge disaster.

But for us the Minimum Viable Product principle runs much deeper than that. When we started our church we knew that our approach to Christian community was our true MVP; that what we were offering the world was a back-to-basics, Minimum Viable Belief: God’s love is transformative, and the only sufficient ground for Christian unity is the love of Christ (everything else is secondary). Ours was a simple vision: we wanted to be a place where people can experience God’s love and be transformed by it: “A Place to Belong! A Place to Become!”

Testing Our Assumptions: Getting to WHY (and Other Questions along the Way)

We realized that to keep our traditions from fossilizing into traditionalism we had to test them. We needed to drill down beneath *WHAT* we’d always done and *HOW* we’d always done it, to *WHY* are we here: the reason behind what we do and how we do it. So borrowing a page from the *Kaizen* and *Six Sigma* process improvement techniques, we started a tradition of identifying and testing the assumptions behind everything we did, including:

- **WHY we exist.** We looked beneath *what* we were “supposed” to do (our ministries/programs) and *how* we were supposed to do them (our structures/processes) to *why* we exist (our vision/mission). For us, this was to be a place where all people are welcome to experience and be transformed by Christ’s unconditional love (“A Place to Belong! A Place to Become!”).
- **HOW we should organize.** We organized ourselves as a “fractal,” team-oriented network that could be adapted as needed to support the vision and scaled as the congregation grew.
- **WHO we serve.** We got “outside the building” on a regular basis, alternating census-based demographic/lifestyle analysis and “boots-on-the-ground” community-based analysis.

Rapid Iteration Prototyping: Testing Our Assumptions about What Works

As a startup church, we realized that since God created infinite diversity in infinite combinations, it’s our responsibility to lean into the possibilities God has created for us, testing, tweaking, and discarding (persevering or pivoting) as necessary, until we discover that which is best suited to our congregation’s gifts, talents, and mission. When I recently showed my governing board (the Vestry) the *Lean Startup* mantra, “Think Big – Act Small – Learn Fast,” they said, “Oh yeah, we do that.” Lean calls it Rapid Prototyping, but we playfully changed the name to Rapid Iteration Prototyping to remind ourselves that it is okay to let bad ideas die.

Eliminating Waste: Stewarding Our Resources

“What resources,” you might ask. True. Like most churches, our financial resources were lean to start with. Yet we have human resources – the time and talent of our people – in abundance. And

where there is abundance, there is opportunity for waste. So we try very hard to steward our human resources wisely. We do this by reducing the need for permissions (those green light bulbs), by looking for ways to create synergy across ministries, programs, teams, and target populations. We don't waste time in the pursuit of 100% perfection: we content ourselves with 80% and leave the other 20% to God. Rather than wasting our people's gifts and skills by force-fitting them into positions we are desperate to fill, we look for ways to find, tailor, or create positions to match people's gifts, skills, and interests.

Measuring What Matters: There's more to Church Vitality than Butts in the Pews

Finally, it used to be you could measure a church's vitality by average Sunday attendance (ASA). But attendance doesn't mean what it used to. The vast majority of visitors to our congregation are either "un-churched" or "de-churched" (previous experience with church either nonexistent or toxic). They come only when they want to, not because they think they ought to. So in our case "measuring what matters" means modeling people's journey into our congregational community: determining the points along the way where people are making decisions about how engaged they want to be in our congregation, and finding ways to measure the decisions they are making.

Minimum Viable Belief: Getting to the Why of Whys

Minimum Viable Belief is a concept that has no precise equivalent in the business sector. Rather, it is a principle and a practice that my congregation and I have been developing over the last two decades, and that I have been practicing in my own congregation and in consultation with other faith-based communities and organizations. A community's *Minimum Viable Belief* is its *raison d'être*: the "Why of Whys" that drives everything else, a transcendent "how we want to change the world" statement of vision, the principle about which its people are so passionate that they would rather fail in the service of that belief than succeed in the service of anything else. Many in the Christian tradition – as well as some other spiritual traditions – would describe this as a sense of "call": a clear and overriding sense of what God desires a faith community or a faith-based organization (or an individual) to do or to be. The principle and practice of Minimum Viable Belief enables faith-based communities and organizations – or any organization that wants to change the world – to create an organizational culture that is experimental yet grounded, creative yet focused, faithful yet flexible, and can steer around enormous and complicated obstacles while staying on course. My own congregation's Minimum Viable Belief – that the only thing powerful enough to hold our faith community together is Christ's love for us – has indeed enabled us to weather storms that would have sunk many congregations...*and that should have sunk us.*

So that's what churches can steal from startups. What might startups want to consider stealing from churches? While somewhat skeptical on matters of religion, Jon Howard has spent most of his life observing churches from the unique vantage point of the offspring of a person who started churches. And now that he is starting up his own tech firm, Jon is finding that some of the things churches do well, startup companies would do well to adapt to their own use.

Jonathan Howard on What Startups Can Steal from Churches

My dad, Ken Howard, entered seminary when I was 6, was ordained when I was 9, and was chosen to start up a new church when I was 11. I was in church every Sunday since as long as I can remember up through age 18. It was not always fun at the time, but my dad's church is still by far my favorite. I'm biased, sure, but I also see parallels between what I liked about his church, and things we strive for in startups.

The biggest challenge of a startup's life is to make a successful business out of a product that people love. After all, profits pay everyone's salary, and we hear a lot of important advice on how to reach product-market fit and scale. What we hear less about is how to create a company culture people love. One thing I learned about churches is that they are exactly this. They have to be, because they're not paying anyone to be there. Their two main "products" - if I can use that analogy - are community and faith.

So how do churches do it? And how might we startups incorporate what they do so well? I'd like to look at three main areas: vision, volunteerism, and recruitment.

Promoting a Shared Vision

Creating a shared vision is key to creating community: a common commitment to something greater than any one employee's success – and perhaps even greater than the company's success – the "Why" that gets everyone out of bed in the morning. Developing and promoting that shared vision is one of the most important jobs of leadership.

Churches develop vision in a number of ways, but my favorite was the sermon. Once a week I got to hear my dad talk about one important topic, how it relates the church's mission, modern society, and our lives. At the time, this was pretty much the only part of church I really liked, but the older I get, the more I appreciate those times. Who else gets to listen every week their parent's in-depth thoughts about the world (when they're not in trouble that is)?

How might a startup's leadership do the equivalent with its vision? For one thing, you have to *have one*. In some ways, Churches have a lot of this "branding" thing solved for them: the Bible, the Ten Commandments... the Episcopal Church even has an official three year "content calendar" (a.k.a. Lectionary) with suggestions for passages to speak about each week. But each congregation has its own unique style as well. If you're not sure what your equivalent of these would be, start there. Where have you come from? Where are you going? How are you making the world a better place, delighting users, and growing? What do you stand for, and what do you stand against?

Once you have the vision articulated to yourself, you can start communicating it. You know those all-hands meetings that are always getting postponed and cancelled? These are fantastic opportunities to rally around the vision and see progress toward it. If you're a startup founder, I would challenge you to re-dedicate yourself to these. They often don't stand up against other priorities, because you're very busy. But Google is also very busy, and they've been doing it almost every week for over a decade.

If you're a very early company, you may be thinking "*But we all work together every day, we all remember what the vision is,*" or "*we don't need another meeting*". You may need less of a check-in, but I'd argue it's still important to acknowledge these things explicitly from time to time. Try incorporating them into an existing meeting you already have. For instance, a weekly demo day like we have at Emissary, where you demo progress but also talk about how it connects to the bigger picture. If you're using SCRUM, use your Sprint Review for a time to reflect on the company as well as the Sprint. Find what time you can to re-commit to the common purpose you're all here for.

This kind of focused, shared, and overriding vision is what my dad means by *Minimum Viable Belief*. It helps create organizational culture that is lean, creative, self-directing, and able to outlast even the departure of the founder.

Voluntarism

Churches are extremely limited in what they can offer their "workforce." As a result, they rely heavily on the work of unpaid volunteers. Yet they somehow manage to persuade large groups of gifted people to carry out complex long-term projects. How do they do that?

There are two kinds of motivation: extrinsic and intrinsic. Extrinsic motivation comes from things typically associated with jobs: Salary, promotions, awards, benefits, 401k contributions, other tangible

rewards. Intrinsic motivators are personally rewarding: achievement/growth, fun, relationships, committing to something greater than yourself.

Extrinsic motivators tend to provide short term bursts of motivation, but if not continually applied, they can become powerful de-motivators due to their perceived absence. There's an arms race going on in extrinsic motivators right now. Companies are raising salaries, adding signing bonuses, paying for better benefits, and better office kitchens with increasingly exotic coffee makers.

Meanwhile, the intrinsic motivators that churches use are designed to impact people from within. They offer opportunities to give back to the community as a group, hold fellowship hours before/after the service, and teach classes. They'll often create roles to make use of a parishioner's unique talents, and allow less experienced people to serve that will require some "growing into," but that they are excited about. And they regularly ask *internally* for the volunteer help they need.

If businesses could learn to rely more on intrinsic motivators, like churches do, we might develop greater long-term commitment and loyalty in our workforces.

Recruitment/Retention

Similar to the points about volunteerism, the challenge for churches is how to interest people to consider participating in what the church community has to offer, without pretending to be something they're not, and without compromising their core values. To grow the congregation in the church my dad started, he drew on a lesson he learned from his study of ancient Celtic Christianity (the forebears of his denomination, the Anglican/Episcopal Church).

Celtic Christian evangelism was not based on conversion-oriented proselytizing but on radical hospitality, service, and love (the way they believe God loved them). They explicitly welcomed and offered community to everyone, and only talked about their faith if asked or if it came up naturally in conversation. They trusted that those who experienced God's love through their relationship with the community would be drawn into that community. In other words, they didn't shove advertisements in people's faces. They led with their core product and trusted that the value they added to the community would attract followers.

Startups could benefit from emulating this kind of organic, "open-source" recruitment. Some already practice something very much like it. *Balanced (BalancedPayments.com)* does this by open-sourcing the majority of their infrastructure, so their customers can contribute directly to make the product something they love even more, and potential engineers can see exactly what they're getting into before joining. Companies like *Thoughtbot.com*, *Heroku.com*, and *Adobe* do this by hosting hackathons for community groups like *HackDesign.org*.

Each company's unique role in the community will be different, but finding a niche and providing value can really draw people in. For some fun counter-examples, check out my blog *RecruitingFail (RecruitingFail.wordpress.com)*, which is dedicated to examples submitted from all over the country on how *not* to attract great people.

Conclusion

They say good artists borrow, but great artists steal. In this way, the genius of human creativity is about cross-pollination: the ability of each new generation to build on the last, and extend their lessons into new arenas. We hope our examples of creative thievery between churches and startups will encourage our readers – on both sides – to do some cross pollination of their own.

¹ This article is adapted from a presentation of the same name which won the "People's Choice Award" at the 2014 *Lean for Social Good* summit in Washington, DC.