

Programs and services must maintain flexibility to respond to varying social needs and funding streams. Good stewardship attends to the tension between mission and margin. In these times of rapid change, Lutheran SMOs recognize that these factors contribute to a sense of uncertainty and anxiety for employers and employees.

Besides the licensing requirements for varying services, the legal context for employee relations varies to some extent by state and local laws. Some Lutheran SMOs have bargaining units, and others do not. All are facing increasing difficulty in recruiting and retaining staff for several reasons -- inadequate funding, escalating costs for insurance and benefits, competition from for-profit entities, decreasing loyalty and longevity of employees, and increased diversity among staff, which includes diversity of motives for working in an SMO.

Thus, the good stewardship of Lutheran SMO human resources is of utmost importance today. In order to recruit and retain committed and competent employees, essential for delivering quality services and fulfilling our faith-based mission, Lutheran SMOs need to have and maintain a healthy, respectful and collaborative relationship with employees and volunteers.

## RESOURCES

1. The website for the Council for Human Resource Management can be found on the LSA website under "Networks" at <http://www.lutheranservices.org/Networks/NetworksLaunch.asp?ID=N5>.
2. *Joined In Our Calling: People Who Serve, People Who Care* is available on the LSA website ([www.lutheranservices.org](http://www.lutheranservices.org)).
3. *A Social Ministry Partnership* is available on the website of The Lutheran Church-Missouri Synod ([www.lcms.org](http://www.lcms.org)) and on the website of the Evangelical Lutheran Church in America ([www.elca.org](http://www.elca.org)).



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# STEWARDSHIP FOR SERVICE



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**Recommended**

**Human Resource Management Guidelines**

**for**

**Lutheran Social Ministry Organizations**

**by**

**The Council for Human Resource Management**

## EMPLOYEE RELATIONS AND COMMUNICATIONS

1. Promote formal and informal ways to recognize the value of employees.
2. Utilize and recognize the valuable contributions of volunteers.
3. Use multiple ways to gain employee input and feedback on organizational policies and practices (e.g., focus groups, surveys, etc.).
4. Establish, regularly publicize and utilize both formal and informal channels for employee complaints and/or problem resolution.
5. Provide staff with opportunities to have input into decisions that affect their daily work lives and to voice ideas and concerns.
6. Encourage employee communications through multiple media and means (e.g., newsletters, suggestion boxes, staff meetings, site visits, etc.).
7. Offer access to a confidential employee assistance program.
8. When involuntary terminations are warranted, assure that decisions are objective and without bias, treat the affected person with respect, and consider severance benefits in cases of job elimination/displacements.
9. Conduct regular confidential employee “climate” surveys.

## PERFORMANCE MANAGEMENT

1. Provide a structured orientation to the job for all staff that helps them understand performance expectations.
2. Provide, annually, an objective and timely performance review process.
3. Develop guidelines for performance management issues, including feedback, corrective action and separation.
4. Develop a program that promotes job coaching and employee development. This approach in performance management is often more effective than taking disciplinary measures.

Church's mission and the quality of social services that Lutheran SMOs provide depend on this partnership and the good stewardship of the human resources of staff and volunteers.

## RECOMMENDED GUIDELINES

What follows are the *recommended guidelines from the Council for Human Resource Management (CHRM)*, the network of human resource managers serving social ministry organizations (SMOs), *to Lutheran Services in America (LSA)* and its member organizations. LSA affirms these guidelines. They highlight the special nature of SMOs in their relationships with employees, volunteers and the church community.

Principles and values for the management of employees and volunteers have been articulated. Specific practices that ensure good stewardship and fair treatment of staff have been defined. Finally, recommendations are made on how LSA and CHRM can help educate, support and inform the Church and its SMOs on the stewardship of our human resources.

These guidelines are not intended to be inclusive of all issues or practices. They do not dictate or obligate any ELCA-affiliated or LCMS-recognized organization to follow specific practices or policies. Their purpose is solely to suggest principles and practices that provide models for healthy, quality relations between employees and Lutheran SMOs.

## HUMAN RESOURCE MANAGEMENT PRINCIPLES AND VALUES

The mission statements of many Lutheran SMOs include key principles and values that are fundamental to good stewardship of human resources:

1. Basing operating decisions on the primary commitment to maintaining a continuity of care in the service of vulnerable people
2. Respecting diversity
3. Providing working conditions for staff that are optimal for caring for clients who present special challenges

4. Caring for the safety and health of staff and clients
5. Fostering teamwork and employee participation
6. Promoting personal and professional growth
7. Supporting a balance between work and personal/family life
8. Encouraging open communication
9. Expecting quality service
10. Acting in a fair and non-discriminatory manner

## **PRACTICES TO ENSURE HEALTHY STEWARDSHIP OF HUMAN RESOURCES**

These principles and values need to be reflected in all aspects of human resource management -- recruitment, orientation and training, compensation and benefits, employee/labor relations, health and safety, strategic planning, organizational development, and quality. The following list sets forth some recommended practices that are ways to enact these principles and values. This list is intended to suggest a number of good practices. It is not all-inclusive, prescriptive, or arranged in any significant order.

## **GOVERNANCE AND LEADERSHIP**

1. Obtain guidance from the organization's governance board to integrate the organization's mission and vision with its current employment practices.
2. Plan for human resource management through all strategic planning processes in the Lutheran SMO.
3. Assure that leadership staff model behavior which is congruent with the stated values of the Lutheran SMO.
4. Seek certification through national accreditation organizations, like JACHO, CARF and COA that includes a comprehensive review of human resource management practices and policies.
5. Comply with all federal and state employment and discrimination laws and regulations.
6. Train senior managers and supervisors on and ensure compliance with the National Labor Relations Act.

7. Provide a working environment for all staff and volunteers that is free of any form of discrimination, harassment or intimidation.
8. Expect and ensure that health, safety, and violence prevention programs are developed. Make sure that these programs focus on what is "foreseeable and preventable."
9. Establish and implement standardized human resource measurement tools to demonstrate the impact of human capital on the organization's bottom line.

## **MISSION, VALUES, CHURCH IDENTITY**

1. Communicate the organization's values to staff, beginning with recruitment and orientation.
2. Ensure that staff understands the mission and its faith-based roots.
3. Expect staff to respect the individual needs and worth of those served.
4. Set and reinforce high standards for ethical behavior.
5. Conduct regular staff in-service training to underscore and update 2, 3, and 4 above.

## **TRAINING AND DEVELOPMENT**

1. Provide continuing training for senior managers and supervisors on human resource management skills and principles.
2. Provide continuing training for all staff on conflict resolution and team development.
3. Provide continuing training for all staff on the skills and knowledge necessary for satisfactory job performance and safety.
4. Establish health and safety training programs, as well as safety committees, and provide appropriate equipment.
5. Provide workplace violence prevention training and critical incident response procedures.
6. Encourage and support professional and personal development and growth.

## STEWARDSHIP FOR SERVICE

The social ministry organizations that are affiliated with the Evangelical Lutheran Church in America (ELCA) and/or recognized by The Lutheran Church-Missouri Synod (LCMS) are integral to the ministry and mission of the Church. The **Guiding Principles** set forth in *A Social Ministry Partnership* state:

*“Affiliation and recognition establish a unique and dynamic ministry partnership dependent upon mutual commitment, responsibilities, and support. In order to be affiliated and/or recognized, these social ministry organizations commit themselves to the church’s social ministry mission and to the highest standards of service -- delivery, leadership, stewardship and mutual cooperation. Other ministry partners celebrate this interdependent relationship and the special role these ministries play in the work of the church by assigning these ministries highest priority for volunteer and financial support.” (A Social Ministry Partnership, p. 1)*

The Guiding Principles also define faithful stewardship as:

*“Faithful stewardship is based upon a Christian understanding of personal and community resources. We recognize God’s ownership of all human and financial resources and each ministry partner’s role as an envoy of God’s care and compassion. It is from this perspective that members of Lutheran congregations continue a long commitment to supporting the work of affiliated and recognized social ministry organizations. From this same faith perspective, all of the social ministry partners commit themselves to faithful stewardship of their resources and to continuous growth in knowledge, effectiveness, and generosity of response.” (Id)*

Faith-based Lutheran SMOs, some now serving in their third century, maintain a special relationship between employer and employee. All staff, whether managers, direct care providers, administrative support, maintenance workers or cooks, play vital roles in fulfilling the organization’s mission. Faithful ministry, as well as sound business, depends on it.

Staff and volunteers reflect a widely diverse community and bring rich gifts of culture, religion, values, and faith. Most employees are committed to the mission of service. They contribute their creativity and competency to the care of others because of their personal commitment and values, not just for compensation. The fulfillment of the

## COMPENSATION AND BENEFITS

1. Provide pay and benefits that are competitive in the nonprofit human services sector, are within the financial capacity of the Lutheran SMO, and share in the organization’s successes.
2. Assure good fiduciary management of employee benefit plans.
3. Regularly review benefit plans to assure that they are responsive to staff needs and consistent with the organization’s values.
4. Assure compliance with the Fair Labor Standards Act.
5. Assure compliance with all federal and state equal pay laws, and translate fair pay issues to all employee categories.
6. Advocate for higher reimbursement with governmental and other third-party payers to better enable Lutheran SMOs to pay competitive wages and provide competitive benefits.
7. Encourage synods, districts and congregations to provide adequate support to Lutheran SMOs to enable them to maintain quality services and programs and to pay competitive wages and provide competitive benefits.

## SOCIAL MINISTRY ORGANIZATIONS TODAY

Combined, the nearly 300 independent affiliated and/or recognized Lutheran SMOs are members of Lutheran Services in America, one of the largest faith-based networks of health and human service agencies in the country, as reported in *The Nonprofit Times*. Together, agencies serve more than 6 million persons annually in more than 3000 communities in all 50 U.S. states, the Virgin Islands and the District of Columbia. More than 1 in 50 Americans are served each year by some part of the Lutheran network of social ministry organizations.

Lutheran SMOs and other non-profit, private human service organizations face increasing financial constraints, due to cutbacks in both government and public support. The major portion of budgets is for staff wages and benefits. Services, undervalued by society, involve labor-intensive types of work, such as childcare, social work, and residential care for older and/or disabled persons. Programs operate in highly regulated environments with implications for staff ratios, expense allocations, and mandated employment practices. Changes in government funding levels and distribution channels, along with managed care models of service delivery, are increasing the financial pressures.