

Minimizing Risk For Your Church In The Planning Stage



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As your Church proceeds through each stage of its building program, you will be faced with risks that can derail your building program. At each stage of your building program it is important to (1) identify the risks, (2) analyze the likelihood and consequences of each of the risks, and (3) determine a plan of action to minimize or alleviate the risks.

The first major Planning Risk deals with taking care of short-term needs instead of long-term needs. Too many times church leaders look at the most urgent needs at hand instead of looking at all the programming needs for the next 7-10 years. A quick example of this would be a pressing need for educational space right now and building it when the church could run out of worship space within the next couple of years or so.

What is the Planning Risk? Building the wrong space for short-term needs usually hampers (1) a church's long-term growth (2) the church's financial growth, and (3) adding ministry programs that would help the church grow and meet ministry needs for people.

How do you avoid this Planning Risk? Determine what your growth in each of your ministry programs will be over the next 10-year period. Calculate the amount of space that will be needed for each of your ministry programs. Determine what you will need in new space and conversion of existing space.

The next major Planning Risk deals with planning to build too much space for what your congregation can afford to finance. An example of this would be that of planning to build a \$10,000,000 facility when your congregation can only afford a \$6,000,000 project.

What is the Planning Risk? When you hire an architect to design your facility, it is your church's responsibility to determine the amount and type of space you are planning on building. If you give your architect program planning requirements that will be beyond your congregations' affordability, you will be paying your architect on that basis instead of paying him on the basis of what you can afford. So, you may very well lose all the money you spend on architectural drawings.

Of course, in addition to losing money, the major planning risk here is the likelihood the project may never get built. This usually results in setting your building program back for 7 to 10 years.

The last major Planning Risk lies in using incorrect cost estimates for your new building program. When trying to fit ministry space needs into a construction budget, too many times building committees take the approach that their church facilities can be built for way less than is realistic. They want the space at the price they want it to be.

What is the Planning Risk? The major risk here is again that money will be lost and the project may never get built. Moving ahead with a project that early on is destined to be over budget because of unrealistic construction estimates and possibly over what your congregation can handle financially will end up being a failed project. Again, the lost finances and emotional distress come into play.

How can you avoid all of these Planning Risks? The best way is to do it right the first time. If you are not sure of how you are going about it, hire someone that can help you; i.e., someone that can balance your space needs within your financial capabilities and has a track record of being realistic with construction cost estimates.

