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Commentary from Design For Ministry™
Los Angeles - Milwaukee - Philadelphia

Return on investment (again)
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Last time I wrote about the need for leaders to hold in common their definition of "Return on Investment." I also suggested that determining ROI by its connection to the entire economic system of a ministry organization is important. Leaders should consider benefit to cash flow, infrastructural improvement, overall goodwill and program enhancement. Each of these are factors in determining ROI.

The key reason for a systemic point of view is significant. If an organization simply views ROI as decreased short-term expense, they choose a superficial and one-dimensional measure. Reduced expense might be followed by an even greater reduction in income. The same goes for measuring ROI solely by an increased revenue flow. It too is superficial and one-dimensional The reason? Expenses against that revenue might be too high and remain unnoticed. Increased revenue flow does not necessarily translate into increased cash on hand.

Getting the ROI right involves more than just those who raise money or those who count money and their need to communicate with each other. Getting it right involves ministry leaders who commit themselves to increase in skill as they think about the health of the entire organization and all its systems.

When they do this, they not only do better at calculating ROI, they also make better choices for program, personnel, constituency and relationships with sister organizations.

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- mark l. vincent