

THE EFFECTIVENESS OF PLANNING IN
A NON-PROFIT ORGANIZATION
(THE METHODIST CHURCH IN MALAYSIA)

BY

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A PROJECT PAPER SUBMITTED IN PARTIAL
FULFILLMENT OF THE REQUIREMENT FOR THE
DEGREE OF MASTER OF MANAGEMENT

MANAGEMENT CENTER
INTERNATIONAL ISLAMIC UNIVERSITY
MALAYSIA

NOVEMBER 1999



الجامعة الإسلامية العالمية ماليزيا
INTERNATIONAL ISLAMIC UNIVERSITY MALAYSIA
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ABSTRACT

The purpose of this study was to explore the importance of planning in contributing to the high membership growth rate among the Methodist Churches in Malaysia. The planning types consisted of Strategic Planning, Program Planning, Policy Planning, Procedure Planning and Standard Planning. The study also examined the growth rates with different types of planning - strategies, programs, policies, procedures, and standards. The study reveals that various types of planning are significantly and positively correlated to the Methodist churches' membership growth rate in Malaysia.

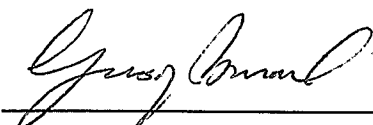
APPROVAL PAGE

**TITLE OF PROJECT PAPER: THE EFFECTIVENESS OF
PLANNING IN NON-PROFIT
ORGANIZATION (METHODIST
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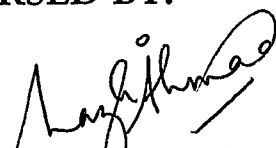
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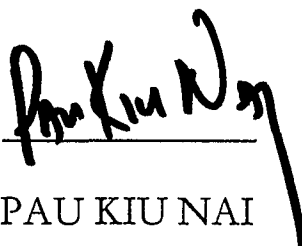


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DECLARATION

I hereby declare that this project is the result of my own investigations, except where otherwise stated. Reference notes acknowledge other sources and a bibliography is appended.

Date: 30th November 1999

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DEDICATION

To my beloved fiancée, Kathy Yu Mee Siang

Who has cherished my life,

In great appreciation of your unfailing love, support and care.

ACKNOWLEDGEMENTS

Praise to the Almighty Lord, the most merciful and compassionate, for granting me the strength and peace to complete this program.

The author is very grateful to Mr. Yusof Ismail who reviewed the manuscript in its entirety, and provided guidance and assistance in the completion of this paper.

I am sincerely indebted to all my nine MoM course lecturers for they have enhanced academic substance to further enrich my understanding of various disciplines offered in the Management Center, IIUM.

I would also extend my gratitude to the entire cohort members who have assisted me and enriched my learning experience.

Finally, my most sincere thanks to my fiancée, Kathy Yu Mee Siang for her support, consideration and understanding in making this study possible.

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CHAPTER ONE

INTRODUCTION

1.0 Introduction

An organization's plan functions much like a map does for a sailor -- it provides direction during both smooth and turbulent times. A good plan recognizes that, although the organization will encounter challenges that may throw them off course, there is no need to drift aimlessly. The plan provides the information and directions needed to get back on track.

In recent years, systematic planning was widely adopted by non-profit organization especially in Methodist Churches. According to Microsoft Encarta 98 Encyclopedia, in 1997 showed a 14% increase in the membership of churches belonging to the World Methodist Council (WMC) compared with 1992 (the last census). Total membership was 33,011,100, with the largest increase (89%), being in Asia. There were 14,767,000 Methodists (45% of the total) in the United States.

This paper is intended to help interest parties to determine whether the systematic plan adopted by Methodist Church was the main factor that contributed to its high growth rate.

1.1 Planning

There are several ways of defining planning. According to Fulmer and Rue, "Planning is to a large extent the job of making things happen that would not otherwise occur." Although it is short and simply, it does capture the essential nature of planning. (Fulmer and Rue, 1974)

From another viewpoint, Kirby and Paulous consider comprehensive business planning must be judge from four points of view and that each is necessary. There are (Kirby and Paulous, 1970):

- The basic generic nature of planning
- The process
- The philosophy
- The structure

Another definition, according to Thierauf and Klekamp, Planning is a discipline that forces each function in terms of predetermined objectives. (Thierauf and Klekamp, 1975) However, a more complete one that will suffice for defining planning is (Gerschefski, 1969):

Planning is an analytical process, in which encompasses an assessment of the future, the determination of desired objectives in the context of the future, the development of alternative courses of action to achieve such objectives, and the selection of a course or courses of action from among these alternatives.

1.2 Methodist Church

Methodist is one of the largest protestant groups in the world, which beginning in northern Europe in the early 16th century in reaction to medieval Roman Catholic doctrines and practices, became, along with Roman Catholicism and Eastern Orthodoxy, one of three major forces in Christianity.

After a series of European religious wars, and especially in the 19th century, it spread rapidly in various forms throughout the world. Wherever Methodist gained a foothold, it influenced, to a greater or lesser extent, the social, economic, political, and cultural life of the area.

John Wesley founded Methodist church in the 18th century, purportedly to revitalize the Church of England. The Methodists formed a "society" within the Church of England. Wesley never wished them to leave the church, but after years of strained relations, the formal break with the Church of England came in 1795, four years after Wesley's death.

The Methodists' tightly knit system of church government, which combined a strong central authority with effective local organization and the

employment of lay preachers, enabled the movement to expand rapidly throughout the 19th century. Because of the enthusiasm for missionary activity among both British and American Methodists, the movement has become worldwide. They share an emphasis on the following doctrines:

- The power of the Holy Spirit to confirm the faith of the believer and to transform one's personal life
- An insistence that the heart of religion lies in one's personal relationship with God
- A simplicity of worship and a partnership of ordained ministers and laity in the worship and administration of the church
- A concern for the underprivileged and the betterment of social conditions
- The formation of small groups for mutual encouragement and edification
- An allegiance to John Wesley.

1.3 Methodist Church in Malaysia

In 1994, Bishop John F. Hurst was questioned “why with a network of mission in India and corresponding work in China, the Americans had utterly neglected the great and promising field lay out stretched between the two?” by one Scotch Merchant from Singapore. Bishop Hurst was greatly impressed by the conversation, and on reaching Bombay he eagerly inquired of Dr. Thoburn, the foremost Methodist missionary of India on the Malay Islands: Dr. Thoburn decided that there should be a mission to Singapore. On February 1885, Dr. Thoburn accompanied a selected missionary couple, Mr. & Mrs. Oldham and another musician missionary, Miss Julia Batty, to Singapore.

The first Sunday Service was held at a Town Hall with an audience of about one hundred fifty persons of various nationalities. Six years later, 1891, S.S. Moore and B.H. Balderstone, both Canadians, were appointed to Penang. The Methodist Church had arrived in the Malayan Peninsula at last.

1.4 The Objectives of the Study (Hypotheses)

This research is aimed to study the correlation between the different types of planning related to the growth of Methodist church in Malaysia.

Hypothesis

- H₁ There is no significant relationship between Strategic Planning and growth of the church.
- H₂ There is no significant relationship between programs and growth of the church.
- H₃ There is no significant relationship between policies and growth of the church.
- H₄ There is no significant relationship between procedures and growth of the church.
- H₅ There is no significant relationship between standards and growth of the church.

1.5 Significance of the Paper

The recommendations based on the finding in the study would be beneficial to not only church but also other similar non-profit organization in implementing their organization planning.

The researcher hopes that the findings of this study will:

- (a) Provide some insight to the public that how the planning effects the growth of the non-profit organization.
- (b) Also provide a more comprehensive, organized and systematic programs that needs to consider before formulate any plan.