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**PERFORMANCE INDICATOR ACTIVITY SYSTEM
OF RELIGIOUS ORGANIZATIONS**

In contemporary Ukrainian society, religious organizations play a pivotal role in expressing religious activity, functioning within the framework of the modern economic paradigm and actively participating in civic processes and financial-economic activities. The conditions of martial law and global challenges facing Ukraine have led to a shift in priorities for religious organizations, particularly in strengthening charitable and volunteer initiatives to aid the Armed Forces of Ukraine, refugees, and the underprivileged.

Given the challenging financial situation in the country and the decrease in potential donors, religious organizations have taken responsibility for effective resource management and the efficient engagement of volunteers in charitable projects. In such circumstances, project management becomes crucial, requiring a distinctive managerial approach and effective decision-making.

This article explores the utilization of performance indicators as an essential element of effective management and strategic development for religious organizations. The authors demonstrate that tracking and analyzing performance indicators enable religious organizations to efficiently achieve their missions and goals, making them accountable, transparent, and successful. The discussed theme allows organizations to clearly measure progress in attaining their objectives, evaluate the results and impact of their programs and projects. This approach not only aids in making informed decisions but also enhances the effectiveness of religious organizations in fulfilling their significant societal functions: spiritual, charitable, humanitarian, and educational.

Keywords: project management, project governance, management of religious organizations, performance indicators, key performance indicators.

Tab .: 4; bibl .: 10

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СИСТЕМА ПОКАЗНИКІВ РЕЗУЛЬТАТИВНОСТІ ДІЯЛЬНОСТІ РЕЛІГІЙНИХ ОРГАНІЗАЦІЙ

У сучасному українському суспільстві релігійні організації відіграють ключову роль у вираженні релігійної активності, функціонуючи в рамках сучасної економічної парадигми та беручи активну участь у громадських процесах та фінансово-господарській діяльності. Умови воєнного стану та глобальні виклики, з якими стикається Україна, призводять до зміни пріоритетів релігійних організацій, зокрема, в посиленні благодійних та волонтерських ініціатив на допомогу Збройним Силам України, біженцям та малозабезпеченим особам.

У зв'язку зі складною фінансовою ситуацією в країні та зменшенням кількості потенційних донорів, релігійні організації взяли на себе відповідальність за ефективне управління ресурсами та ефективне залучення волонтерів до благодійних проєктів. У такій ситуації особливо важливим стає управління проєктами, що вимагає особливого управлінського підходу та ефективних управлінських рішень.

Стаття розглядає використання показників результативності як необхідного елементу ефективного управління та стратегічного розвитку релігійних організацій. Автори демонструють, що відстеження та аналіз індикаторів результативності дозволяють релігійним організаціям ефективно досягати своїх місій та цілей, роблячи їх відповідальними, прозорими та успішними. Порушена тема дозволяє організаціям чітко вимірювати прогрес у досягненні своїх цілей, оцінювати результати та вплив своїх програм і проєктів. Такий підхід не лише допомагає приймати обґрунтовані рішення, але й підвищує ефективність діяльності релігійних організацій у виконанні їхніх суспільних функцій.

Ключові слова: проєктний менеджмент, проєктне управління, управління релігійними організаціями, індикатори результативності, ключові показники результативності

Табл.: 4; бібл.: 10

Introduction. In contemporary Ukrainian society, religious organizations play a pivotal role in reflecting religious activity, functioning within the framework of the modern economic orientation, actively participating in social processes, and engaging in financial and economic activities [1]. Global and national challenges faced by Ukraine in times of war indirectly influence the change in priorities of religious organizations. This includes the reinforcement of their charitable volunteer projects to assist the Armed Forces of Ukraine, refugees from affected territories, and underprivileged individuals. Due to the current critical financial situation in the country, the number of potential donors and financial resources has significantly decreased. Consequently, religious organizations bear the responsibility for more effective management of these resources. On the other hand, the number of volunteers engaged in charitable projects has substantially increased. Such a situation necessitates a unique management approach, the search for effective management solutions, and the utilization of appropriate project management tools.

Performance indicators are one of the primary means of ensuring project efficiency and enable religious organizations to assess their progress in achieving their mission and goals [2].

Analysis of recent research and publications. Domestic scholars pay attention to the management of performance in the activities of non-profit organizations at the present stage of the country's development. Particularly noteworthy are the works of such scientists as V.O.

Kuzminsky, O.O. Osadcha, V.D. Shapiro, V.S. Biletsky, I.B. Zapukhlyak, A.S. Polyanska, and N.O. Advokatova.

Foreign scholars T. Gottschlag [3], C. Grella [4], D. Becker [5], M. Epstein and A. Buhovac [6], while studying performance indicators of religious organizations, emphasize the importance of correctly defining indicators for measurement, especially for assessing intangible results, and the pursuit of a balanced set of KPIs. However, the issue largely requires further research in the context of adapting project management methodology to the specific functioning of religious organizations. There is ample room for research into the implementation of modern performance management methods in the activities of religious organizations, primarily due to the limited coverage of successful experiences in specialized literature, which, in turn, hinders the adoption of innovative project management tools by religious organizations.

The aim of the article is to investigate and systematize specific performance indicators developed with consideration for the peculiarities of the activities of religious organizations.

Presentation of the main material. Performance management is of particular importance for religious organizations as they do not experience the self-regulating influence of the market and do not have the need to report to shareholders. Therefore, it is crucial for religious organizations to ensure that the intentions formulated as goals actually yield results. This is particularly important in light of rising expectations from both internal and external stakeholders [2].

To ensure clarity and practicality of Key Performance Indicators (KPIs), it is necessary to define specific, measurable results that correspond to the goals of the religious organization. These results should be quantifiable and time-bound, allowing for progress tracking and informed decision-making [3].

Key advantages of using performance indicators in the activities of religious organizations can be considered from the following perspectives:

Evaluation of Goal Achievement: KPIs provide a clear picture of how effectively a religious organization is progressing towards achieving its mission and goals.

Enhanced Management: The use of KPIs assists organizational leaders in making informed decisions based on facts and data, improving the quality of management, and helping to more efficiently utilize resources.

Simplified Progress Tracking: KPIs offer a clear way to track progress in various aspects of the organization's activities. This helps understand where problems arise or successes are achieved and where corrections are needed.

Team Motivation: The use of KPIs can contribute to internal motivation among members of the religious organization, as they see specific goals and progress toward their achievement.

Improved Interaction with Donors and Congregants: By using KPIs, an organization can more easily demonstrate its activities, achievements, and efficiency to donors and congregants. This can aid in attracting financial and other support.

Adaptation to Change: KPIs allow organizations to respond to changes in the environment and internal situations, timely identify problems and opportunities, enabling quick adaptation of the organization's strategy.

Transparency: The use of KPIs helps ensure greater transparency of the organization's activities to its members, community, and the public.

Evaluation of Program and Project Effectiveness: KPIs enable the assessment of the results and impact of programs and projects, assisting in decision-making regarding their

further implementation or correction.

Performance indicators can be descriptive, qualitative, statistical, and quantitative. Considering the vast spectrum of indicators, Kaplan and Norton [7] developed a balanced scorecard system that includes appropriate measurements in four areas: stakeholder engagement and service, financial indicators, learning and development, and internal business processes. Despite the importance of all areas, some have a greater impact on the longevity and prosperity of the organization. For most religious organizations, indicators related to congregant engagement and service, funding, and volunteers carry more weight than other performance indicators.

At the same time, it is important to note that the final selection of appropriate indicators depends on the specific strategy, goals, and implemented projects of the religious organization. In developing a balanced scorecard system, it is necessary to consider the context and characteristics of religious activities, as well as implement mechanisms for data collection and monitoring to measure and evaluate organizational performance according to established indicators.

Financial Indicators: Even if revenue generation is not the primary goal of religious organizations, it remains a crucial factor for organizational success. Financial stability is the foundation for the success of any thriving organization. The most important financial performance indicators for religious organizations include the following (compiled by the author based on [4], [8], [9]):

Annual Income: Used by religious organizations to assess income from their programs, this indicator determines the amount of money the organization earned in a year, reflecting its financial achievements.

Average Donation Amount: Reflects the average size of donations received from individual donors. Tracking changes in the average donation amount helps identify trends and assess the impact of fundraising strategies.

Donation Growth Rate: Reflects the impact of the organization's marketing campaigns on its income. The year-over-year growth rate is usually tracked over time and is often calculated as a percentage of total revenue.

Return on Investment (ROI) for Fundraising: Used by religious organizations to assess the effectiveness of campaigns. This indicator helps determine which campaign was the most successful and generated the highest profit.

Cost per Dollar Raised (CPDR): Helps evaluate how much it costs to raise one monetary unit in donations. The lower this cost, the more effective the fundraising program.

Cash Availability: Calculates the amount of available cash after the religious organization has met its adjusted current obligations and allocated funds for temporarily restricted projects resulting from donations with specific restrictions on their use. While temporarily restricted current assets are not a legal obligation of the religious organization, these funds should not be spent on general operating purposes, and thus, they are excluded from the cash balance. It is considered that the minimum indicator should be greater than zero. Any amount less than zero indicates that the organization is borrowing funds from temporarily restricted funds and may be a cause for concern [9].

Percentage of Contributions Matched through Corporate Philanthropy Programs: This is one of the important indicators of the effectiveness of fundraising activities of religious organizations. Corporate philanthropy provides significant opportunities to attract additional funds from business entities. Matching programs are one of the instruments of corporate philanthropy that allow recognized donors to increase the impact of their donations, as contributions are matched by businesses supporting their charitable

programs. By tracking the percentage of contributions matched through corporate philanthropy programs, religious organizations can analyze and identify opportunities to increase income from specific donor segments. This helps implement more targeted and effective fundraising strategies, enhances relationships with the business environment, and contributes to strengthening the financial stability and stability of the religious organization.

Percentage of Online Donations: Reflects the proportion of revenues derived from online donations, helping to evaluate the effectiveness of online fundraising programs and their impact on the overall income of the organization. Increasing the percentage of online donations allows for reducing the cost of fundraising and maintaining the overall fundraising program in a positive balance.

Key indicators of engagement and servicing of stakeholders are crucial (sources [4], [5], [8], and the author's own scholarly observations have been utilized):

The analysis of the effectiveness and success of a church depends on careful observation of the presence of parishioners who regularly attend religious services. Despite membership in a religious organization being an indicator of the number of attendees, in practice, many registered members may remain passive participants, while active participants may not have official membership. The efficiency and success of a church are best manifested in the presence of believers actively engaged in the realization of the church's main mission. In this context, a performance indicator can be measured through the growth in the average weekly number of parishioners.

The conversion of visitors into donors is an indicator that reflects the financial impact of the organizational efforts of a religious organization. It indicates how many people from the target audience not only join the organization's campaigns but also make donations to support its goals. Monitoring this indicator helps the religious organization better understand the preferences and motivations of its supporters.

The number of newly acquired donors indicates the effectiveness of each campaign in attracting new dedicated supporters. Depending on the goals and the audience a religious organization is trying to reach, some projects may be more successful in attracting donors than others. Analyzing this indicator for all projects helps the religious organization better understand its audience and create more effective projects in the future.

The volunteer turnover rate indicates the ability of a religious organization to attract and retain dedicated volunteers. By tracking this indicator, the organization can understand which practices need improvement or should be abandoned. Avoiding high volunteer turnover is important.

The donor retention rate measures the duration and degree of engagement with supporters. This KPI evaluates the number of donors who have made a donation more than once. Since attracting and retaining new donors requires significant efforts at the initial stage and does not always yield the desired results, repeat donors become a support, and developing their relationships with the organization is a key task.

User satisfaction indicators can be qualitative and quantitative. Both are important for obtaining an overall picture of customer satisfaction. Qualitative information can be obtained through surveys of stakeholders using open-ended questions. Quantitative information is obtained by assessing the performance of a particular service in scores. Information obtained in this way is extremely important as it allows for generalizations and identifies aspects of service delivery that need improvement. It also helps to follow trends to determine directions for maximizing user satisfaction.

It's worth noting that the success of a project depends on many factors. One individual indicator should not serve as the sole criterion for decision-making. It is recommended to use

at least two to three of the above indicators in combination with each other to obtain a comprehensive understanding of the activities of a religious organization [2].

Performance indicators for internal business processes characterize the efficiency of programs and administration of religious organizations, as well as the quality and level of innovation in core processes. Key performance indicators for the internal business processes of religious organizations include (compiled by the author based on [5], [9], and own calculations.):

Share of expenses for general maintenance, %

Share of administrative expenses, %

Expenses per participant in the service, UAH (Ukrainian Hryvnia)

Share of expenses on programs, %

- Витрати на загальне утримання включають адміністративні та логістичні витрати, які організація понесла для підтримки своєї діяльності. Використовується релігійними організаціями для демонстрації відповідальності перед зацікавленими сторонами та донорами. Як правило, донори не хочуть здійснювати пожертви, якщо більшість коштів витрачається на такі витрати, а не на справжню місію кампанії. Тому низькі витрати на загальне утримання є більш бажаними.

- Витрати на одного учасника служіння дозволяє оцінити достатність зібраних від учасників коштів для покриття загальних витрат.

Performance Indicators for Education and Growth:

The indicators of educational and growth performance serve to evaluate the educational projects of religious organizations and the potential for further development and growth through the incorporation of modern innovative technologies (compiled by the author based on [3], [4], and own calculations):

Number of participants in educational programs, individuals

Share of participants in educational programs in the total number, %

Number of educational projects

Engagement on social media

Email open rate

Email click-through rate

Continuous Learning and Education: Continuous learning and education of believers are the church's fundamental mission as it contributes to the spiritual growth of its members. Many participants in Christian churches also volunteer in the organization, holding key roles in worship and church activities. For example, one performance indicator for the church's education and development could be the percentage of participants attending Sunday school. This performance indicator may also be positively correlated with attendance growth, as new participants may seek the church's guidance in their spiritual development. In some cases, the reputation of a religious educational program may contribute to increased worship attendance [10].

Tracking Social Media Engagement Metrics: Monitoring engagement metrics on social media helps assess the effectiveness of the social media strategy and identify opportunities for growth and increased audience interaction.

Email Open Rate: The email open rate measures the percentage of recipients who opened a specific email message. It reflects the effectiveness of an email marketing campaign, audience engagement, and the relevance of content.

Email Click-through Rate: The email click-through rate measures the percentage of recipients who clicked on a link within an email message among those who opened it. It helps evaluate the effectiveness of the call to action and the level of audience engagement with the

content.

Conclusions. The use of performance indicators is an essential element of effective management and strategic development for religious organizations. Tracking, analyzing, and applying performance indicators assist religious organizations in being accountable, transparent, and successful in achieving their missions. They provide clear measurements of progress toward organizational goals, enabling a deeper understanding of performance and the ability to assess effectiveness. Performance indicators also allow for the evaluation of results and the impact of programs and projects, aiding in decisions regarding their further implementation or adjustment.

In turn, this capability enables religious organizations to perform their significant societal functions-spiritual, charitable, humanitarian, and educational - with maximum efficiency.

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