



A promotional graphic for a guest speaker. It features a green background with a white diamond-shaped grid pattern. On the left, a portrait of Ray Wahlen, a man with glasses wearing a dark suit, white shirt, and red tie, is set against a yellow diamond. To the right of the portrait, the text 'GUEST SPEAKER' is in a yellow box. Below that, 'Ray Wahlen' is written in large white font, followed by 'UNDERTREASURER' in yellow and 'General Conference' in white. The ATS logo is in the bottom right corner.

GUEST SPEAKER

Ray Wahlen

UNDERTREASURER
General Conference

ATS Adventist Technology Summit 2023

1



A title slide with a white background and a large, faint grey graphic of a person's head and shoulders on the left. The title 'EFFECTIVELY MANAGING TECHNOLOGY BUDGETS' is centered in large, bold, black capital letters. The ATS logo is in the top right corner.

**EFFECTIVELY
MANAGING
TECHNOLOGY
BUDGETS**

ATS Adventist Technology Summit 2023

2

Overview

1. Goal for today
2. Mission context
3. Three lenses
4. Count the Cost!
5. Example
6. Wrap up

3



OUR GOAL

4

Versus or And?

- Move from Differences:
 - Personalities, priorities, languages
 - Circumstances
 - Time horizons
- Recognition of mutual dependence
- Let's create the bridge and common ground

5

What is a budget?

A document that quantifies
the projected financial results of
planned activities
for the fiscal period.

6

Common ground

To suggest a common ground for you to
Create a Bridge
between Technology, Finance and
Leadership
within your mission context.

7



OUR MISSION CONTEXT

The Great Commission

8

The Great Commission

¹⁸ Then Jesus came to them and said, “All authority in heaven and on earth has been given to me.¹⁹ Therefore go and make disciples of all nations, baptizing them in the name of the Father and of the Son and of the Holy Spirit,²⁰ and teaching them to obey everything I have commanded you. And surely I am with you always, to the very end of the age.”

Matthew 28:18-20, NIV

9

Implementation of our Mission

We devote ourselves to:

- Christ-Like Living
- Christ-Like Communicating
- Christ-Like Discipling
- Christ-Like Teaching
- Christ-Like Healing
- Christ-Like Serving

GCWP A 09 10

10



THREE LENSES

Various perspectives on technology

11



THE LEADERSHIP LENS

How Church Leadership is viewing technology

12

Leadership imperatives

- Vision for the Future
- Alignment for completing the Mission
- Create a Strategic Framework

13

Organizational Goals

- A, B, C, etc. – Whatever they are for the entity
- What are the Technology requirements to achieve the organizational goals?
- Technology will be included – either as
 - A silo, or as
 - The integration of technology into some or all of the goals

14

Creating Strategy

- How will the entity organize itself to give the highest likelihood of success to the accomplishment of the mission?
 - Remote work?
- What role will Technology have in the strategy?

15

Is Change a Friend or Foe?

- Tradition?
 - Same as Last Year (SALY)?
- Possible support for initiatives in
 - Security
 - Business continuity
 - Disaster recovery

16

Is Change a Friend or Foe?

- New things?
 - Shiny objects
- Possible support for initiatives in
 - Agility
 - Speed of Implementation
 - Data-driven decisions

17

Leading from the middle

“It is amazing what you can accomplish if you do not care who gets the credit!”

US President Harry Truman

<https://www.trumanlibraryinstitute.org/Truman/Truman-quotes/page/5/>

18

Beware!

- Priorities will always find funding!

19

Technology Strategy

- Buy or Develop?
- Time is money!
- First adopter?
- Keep focused on the achievable

20

No Silos!

- Barriers to Collaboration
 - Fallacy of Uniqueness
 - “Not invented here”
- Impact on budget/bottom line performance

21



THE RESOURCE LENS

How Church Resource Stewards view technology

22

King David's perspective

“LORD our God, all this abundance that we have provided for building you a temple for your Holy Name comes from your hand, and all of it belongs to you.”

New International Version

23

Parable of the Rich Fool

“¹⁶ And he told them this parable: “The ground of a certain rich man yielded an abundant harvest.¹⁷ He thought to himself, ‘What shall I do? I have no place to store my crops.’

¹⁸ “Then he said, ‘This is what I’ll do. I will tear down my barns and build bigger ones, and there I will store my surplus grain.¹⁹ And I’ll say to myself, “You have plenty of grain laid up for many years. Take life easy; eat, drink and be merry.”’

Luke 12: 16-19, New International Version

24

Parable of the Talents

¹⁸ But the man who had received one bag went off, dug a hole in the ground and hid his master's money...

²⁵ So I was afraid and went out and hid your gold in the ground. See, here is what belongs to you.'

²⁶ "His master replied, 'You wicked, lazy servant! So you knew that I harvest where I have not sown and gather where I have not scattered seed?

Matthew 25:18,25,26, New International Version

25

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26

Plan Strategically for Technology

- Recognize that Technology is:
 - NOT a cost center
- Liberate Technology to be:
 - An investment, and
 - A strategic advantage
- Remember the concepts of
 - Compound Interest
 - Debt snowball

27

Technology Strategy

- Buy or Develop?
- Time is money!
- First adopter?
- Keep focused on the achievable

28

Accounting for Technology

- What parts of Technology to include?
 - All technology costs?
 - Only salaries?
- A cost of:
 - The using department? or
 - Project?
 - IT?

29

Leveraging Technology

- Economies of scale
 - Increased levels of return
- Breadth of scope
 - Limit initial scope
 - Consider a few features that will allow for simple future expansion

30

Preparing for the Unexpected

- Contingency budgets for projects
- Prioritized projects if funds are available
- Triple Constraints
 - Resources
 - Quality
 - Scope

31



THE TECHNOLOGY LENS

How Church Technology experts view treasurers

32

A skills gap exists

- Limited flexibility in remuneration
 - Technology supports the Mission, but is NOT the mission
- Scope of technology is widening very quickly
 - Extremely difficult to cover all technology fields with one team

33

Ordinary People

“Just ordinary People
 God uses ordinary people
 He chooses people just like me and you who
 are willing to do what He command
 God uses people that will gave him all
 No matter how small your all may seems to you
 Because little becomes much as you place it in
 the Master’s hand.”

Ordinary People Lyrics © Universal Music - Brentwood Benson Publ., Birdwing Music, Danniebelle Music

34

Addressing the skills gap

- Promote technology training in our schools
- Recruit talent early based on Mission involvement
- Collaborate on critical projects/initiatives
- Outsource for missing skills/resources
- Maintain constant focus on priorities

35

Finding Focus

- Know what problem you are trying to resolve
- Understand the ranking of the issue in the mind of leadership before allocating resources
- Finish the solution before moving on to the next problem
- Spend the time and effort to properly analyze a problem

HBR, Why Chief Data and AI Officers are Set up to Fail, June 20, 2023

36

Adequate preparation

“Give me six hours to chop down a tree
and I will spend the first four sharpening
the axe.”

US President Abraham Lincoln

https://www.brainyquote.com/quotes/abraham_lincoln_109275

37

Matthew 19:26

“Jesus looked at them intently and
said, “Humanly speaking, it is impossible.
But with God everything is possible.”

New Living Translation

38

Proverbs 21:5

“Good planning and hard work
lead to prosperity,
but hasty shortcuts lead to poverty.”

New Living Translation

39

Delivering Value

- Investment in technology will be difficult to justify if value isn't delivered.
 - Whose values?
 - How does the project owner measure success?
 - Value judgments can be difficult to quantify

HBR, Why Chief Data and AI Officers are Set up to Fail, June 20, 2023

40

Delivering Value

NEVER say:

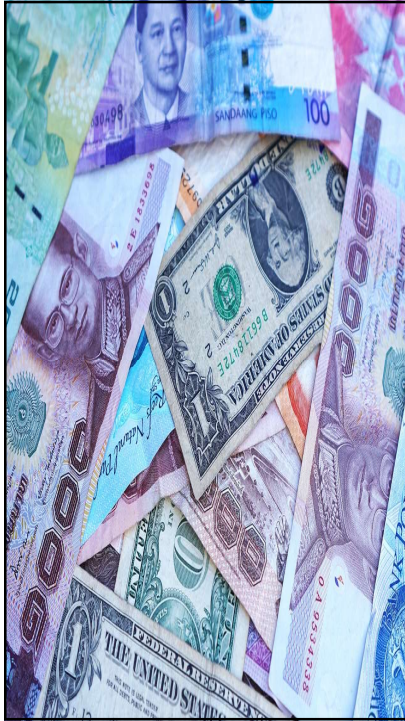
“That would be too expensive”

41

Research & Development

- Scan the horizon and identify new technology that will be beneficial to the Church
- Funding R&D
- Recognize the cost of technology churn
 - Training and the Learning curve
 - Implementation
 - Support

42



COUNT THE COST!

The full cost, please!

43



Luke 14:28-30

²⁸ “Suppose one of you wants to build a tower. Won’t you first sit down and estimate the cost to see if you have enough money to complete it? ²⁹ For if you lay the foundation and are not able to finish it, everyone who sees it will ridicule you, ³⁰ saying, ‘This person began to build and wasn’t able to finish.’

New International Version

44

Luke 14:31-32

³¹ “Or suppose a king is about to go to war against another king. Won’t he first sit down and consider whether he is able with ten thousand men to oppose the one coming against him with twenty thousand? ³² If he is not able, he will send a delegation while the other is still a long way off and will ask for terms of peace.”

New International Version

45

Common reasons given

- “The Lord will provide”
- “The Lord spoke to me in my devotional time this morning”
- A predisposition of not liking change
 - Desire to remain true to Biblical beliefs
- Nahushtan
- I didn’t know!

46

Value of many advisors

- “For lack of guidance a nation falls, but victory is won through many advisers.” Proverbs 11:14 NIV
- “Plans fail for lack of counsel, but with many advisers they succeed.” Proverbs 15:22 NIV
- “Surely you need guidance to wage war, and victory is won through many advisers.” Proverbs 15:22 NIV

47

Technology costs

- Capital
- Project
- Operating

48

Technology costs include

- Personnel (internal/external)
- Hardware (owned/leased)
- Software (purchased, developed, and SaaS)
- Connectivity
- Storage
- Overhead
- Outsourced

APQC.org

49



Luke Pannekoek

Senior Manager – Digital Transformation
Seventh-day Adventist Church - South Pacific Division



50



51

SPD technology budgeting – Why?

Confidence, Trust, Insight

- Accurate costing
- Transparency, fair cost sharing
- Empowers decisions

52

Budget Planning Cycle

Yearly Review Cycle

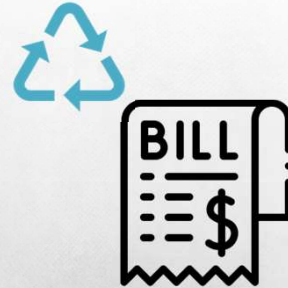
2. Service Catalog



1. Pricing /
Indexation

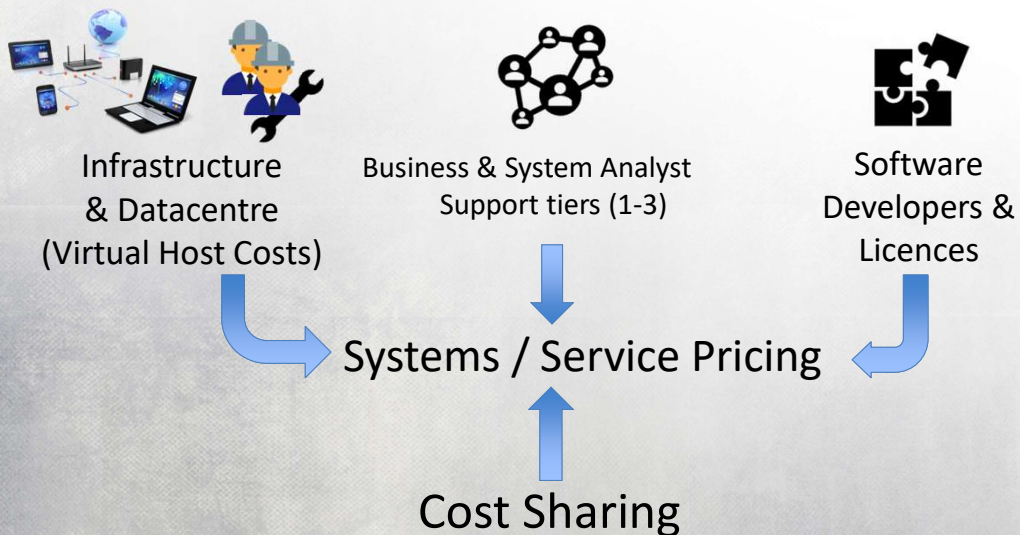
3. Customer Billing
Update Meeting

Monthly Billing



53

Service Cost Composition



54

Infrastructure Pricing

- Unit costs derived from monthly breakdowns of
 - Hardware Depreciation
 - Engineering wages
 - Licences, Communications, Datacentre, Other

VM Hosting Components	Unit Cost
CPU Unit Cost	\$16.41
RAM Unit Cost	\$4.09
Storage Std (GB)	\$0.20
VM Unit Cost	\$184.34



55

Service Pricing Example

	Service Desk	My Statements	Password Management	CMF online	Docs Online	edging web + app	JASPER	Membership	Events
Per Unit Cost:	\$64.29	\$11.32	\$18.75	\$2,232	\$1,561	\$8,149	\$32	\$1,332	\$2.49
Service Catalog cost allocations (Target if diff)									
A Server hosting charges \$3,715									
B Wages Allocations - SET IN									
	Target Hrs	Std Tim	Actual Hrs	Re					
1		8.00%	111		1	0.1	0.1	0.5	2
2		6.00%	261			5		8.54	3
3		0.00%	375					1	30
4		25.00%	270		3	0.5	0.5	1	10
									43
									2
									0.5
C Other Charges (software licences, consulting, int)									
	Yearly	Monthly			\$897	\$168	\$418	\$168	\$30
					\$568	\$168	\$168	\$168	\$176
					\$30	\$30	\$30	\$30	\$30
					\$200		\$100		\$400
D Unit Price charges, TotalCost = UnitCost * Sum(Users)									
	Unit Cost (mt)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0



56

Cost Sharing

Service cost sharing:

- Number of users
- Share of Title
- Storage utilisation
- Transaction volume

Seek pricing consistency where possible

We supply rebates for specific scenarios



57



WRAP UP

58

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60

A decorative graphic on the left side of the slide consists of three overlapping, semi-transparent light gray shapes: a triangle pointing right, a diamond, and another triangle pointing right.

Thank You!
Obrigado!!