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Section X: How Congregations Compare

Understanding congregational giving trends is vitally important to any congregation concerned about its financial wellbeing. On average, three-quarters of U.S. congregations receive the vast majority (90 percent) of their annual revenue from congregants' offerings and tithes.^{lvii} In addition, nearly three-quarters of religious participants gave something to their congregation in 2006-2007.^{lviii} With the changes in the demography of American congregations, understanding members' giving behaviors and the institutional structures that influence these behaviors is critical for clergy and board, congregational staff and laity, and even congregational members themselves.

In recent decades, giving to religious organizations as a percentage of household income has been declining.^{lix} However, up until the recent recession, inflation-adjusted giving by households to houses of worship had actually increased.^{lx} This signifies that either some households have been giving higher amounts than in the past or there were more households giving, or both. Evidence suggests that the former is true since congregational attendance and membership have been on the decline.^{lxi}

Congregational participants may be "as generous as ever," but a congregation's financial issues are more about congregational involvement than the congregation's fundraising strategy.^{lxii} Indeed, along with certain demographic characteristics, such as congregants' average income, education level, and age, research on congregational giving suggests that involvement is one of the key factors that drive whether one gives to their congregation and how much.^{lxiii} The mutual religious beliefs that congregational participants have, along with congregational requirements and networks, work together to create an "exclusivity" that promotes increased giving by congregants. Those congregations that work to engage members well and in a variety of ways, such as involving them in the ministry and programs of the congregation, appear to receive the greatest financial support from congregational members.

Certain types of denominations appear to be more adept at creating a sense of social cohesion and programmatic involvement, which results in greater support of congregational members.^{lxiv} Further, the level of exclusivity that congregants feel, and thus the extent to which they become involved with the affairs of their congregation and give, appears to be primarily related to the theology that the congregation holds. Ultimately, giving behaviors are rooted in the rituals and practices that constitute religious traditions.^{lxv}

The degree to which a congregational attendee or member is involved in the life and ministry of their congregation plays into their ultimate level of commitment to the congregation. This higher level of commitment appears to translate into greater than average per capita giving. As a result, congregations that create a heightened sense of religious faith and a positive, generous attitude

among congregants toward the congregation, along with promoting institutional involvement, may fare the best in terms of congregational giving.^{lxvi}

In summary, the theological footprint shaping the institutionalized practice of a congregation appears to be the primary factor marking the differences seen across denominations in terms of their fundraising success. This factor appears to relate to the intensity in which congregational members engage and commit to the organization, including the levels of support they provide financially. “Differences in institutionalized practices—pledging, tithing, financial connections between congregations and denominations, endowments, and so on—are theological differences.”^{lxvii}

The one key element that a congregation has to work with in terms of congregational fundraising, beyond its theological stance, is the congregational member’s commitment to the congregation via his or her level of involvement with the congregation.

This study conducted a range of statistical regressions to test for differences in results across denominations in terms of their fundraising and finances. The denominational categories tested included: Mainline Protestant, Evangelical Protestant, Historically Black Protestant, Catholic, Jewish, and congregations classified as “other.”^{lxviii} The following section provides an overview of the key results of this analysis. The table in the Appendix shows complete results of this statistical analysis, along with regression tests of other independent variables including average age of attendees, clergy’s awareness of giving trends with the congregation, and congregational size.

Differences Across Denominations Reporting on Whether Clergy Are Aware of How Much Their Congregants Give and Who Gives

In this study, Mainline Protestant, Historically Black Protestant, Catholic, and Jewish congregations, as well as those classified as “other,” were found to be more likely to have clergy who are aware of how much their congregants give and who gives, when compared with Evangelical Protestant Congregations.

Differences Across Denominations Reporting on Whether the Congregation Has an Endowment

Mainline Protestant congregations and those classified as “other” were found to be more likely to have an endowment, when compared with Evangelical Protestant congregations.

Differences Across Denominations Reporting on Whether the Congregation Offers Financial Education or Charitable Giving Courses to Congregants

Evangelical Protestant congregations are more likely to offer financial education or charitable giving courses to congregants, when compared with Mainline Protestant, Catholic, Jewish, and “other” congregations.

Differences Across Denominations Reporting on Whether the Congregation Has an Annual Pledge Campaign

Mainline Protestant and Catholic congregations and those classified as “other” were more likely to report having an annual pledge campaign when compared with Evangelical Protestant congregations.

Appendix

Congregation Characteristics Table #1

Denomination Characteristics	Percent of Clergy Who are Aware of Giving Trends	Congregation Has an Endowment	Congregation Offers Financial/ Giving Courses	Congregation Has an Annual Pledge Campaign	Congregation Began New Fundraising Activities in 2011	Congregation Received at Least One Bequest in 2011
Evangelical Protestant†	36.2%	23.0%	56.1%	36.0%	23.4%	22.0%
Mainline Protestant	46.3%*	62.9%*	32.2%*	81.9%*	28.2%*	35.8%*
Historically Black Protestant	80.0%*	0.0%	58.3%	41.7%	41.7%	0.0%
Catholic	73.9%*	43.5%	33.3%*	66.7%*	12.5%	55.0%*
Jewish	58.3%*	62.8%*	2.0%*	78.9%	38.0%	28.6%
Other	62.1%*	68.7%*	29.2%*	85.8%*	34.9%*	27.2%
Average Age of Congregants						
35 years and younger†	50.0%	15.8%	65.0%	40.0%	5.0%	5.3%
35-44 years	49.2%	34.3%	57.7%	50.2%	27.1%	21.3%
45-54 years	49.5%	52.8%	42.7%	72.5%	29.4%*	29.5%
55-64 years	43.5%	61.6%	30.5%	79.4%	27.8%*	36.2%
65 years and older	37.3%	57.3%	16.3%*	68.0%	26.0%*	36.6%
Clergy Awareness						
Clergy is Aware of Giving Trends Within Congregation†	N/A	58.9%	36.9%	80.4%	32.3%	33.6%
Clergy is Not Aware of Giving Trends Within Congregation	N/A	50.0%*	36.5%	65.2%*	24.2%*	31.2%
Size of Congregation Attendance						
0-100 Congregants†	40.1%	44.5%	16.6%	65.1%	22.5%	26.7%
101-250 Congregants	46.8%	61.3%	35.4%*	79.4%	27.9%	32.0%
251-500 Congregants	50.9%	63.3%	52.9%*	78.6%	35.2%*	38.1%
501-1,000 Congregants	54.0%*	54.6%	72.7%*	63.2%	31.7%	38.0%
1001-2,000 Congregants	49.2%	44.4%	82.8%*	50.0%	41.9%*	38.7%
More than 2,000 Congregants	43.2%	37.8%	72.2%*	36.8%*	22.2%	33.3%

The * represents statistical significance wherein the p-value was equal to or less than 0.05 from logistic regression analysis.

The † represents the comparison group by which statistical regressions were conducted across the other groups.

Limitations

Congregational Categorization

Respondents were provided a list of nearly 100 types of congregations, including Christian and non-Christian denominations, and were provided the opportunity to write in their denomination type or affiliation. Respondents' choices were categorized ad hoc using the Pew Classification of Protestant Denominations for statistical regressions.^{lxix} In addition, all congregations that were members of Maximum Generosity, with the exception of one Jewish congregation, were classified as Evangelical Protestant.

Sample

Because this study was based on a constituency sample of partner organizations, results cannot be compared with or construed as representative of the average congregation within the United States.

Survey Methodology

One key limitation in a survey that asks about organizational finances is lack of standardization across congregations in how they organize and report financial data. This issue becomes more complicated when an administrative office handles the accounts of multiple congregations.

Limitations of the Data

Quantitative data has inherent limitations because it cannot lend itself to an explanation of its own outcome. Any explanation of quantitative data must come from more theoretical sources or be corroborated with other sources of data.

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- ^{xlv} Mark Chaves and Shawna Anderson, "Continuity and Change in American Congregations: Introducing the Second Wave of the National Congregations Study," *Sociology of Religion*, 2008, 69:4, 415-440.
- ^{xlvi} Rebekah Basinger, "When Faith and Governance Meet: The Board's Role in Growing Givers' Hearts," in *Revolution in Generosity: Transforming Stewards to be Rich Toward God*, Wesley K. Willmer (Ed.), Moody Publishers, 2008, p. 293.
- ^{xlvii} Respondents did not specify what "other" types of revenue included.
- ^{xlviii} Data is not shown in Table 7.
- ^{xlix} The Pew Forum on Religion and Public Life, "U.S. Religious Landscape Survey," Feb. 2008, <http://religions.pewforum.org/pdf/report-religious-landscape-study-full.pdf>
- ^l Mark Chaves and Shawna Anderson, "Continuity and Change in American Congregations: Introducing the Second Wave of the National Congregations Study," *Sociology of Religion*, 2008, 69:4, 415-440.
- ^{li} Mark Chaves and Shawna Anderson, "Continuity and Change in American Congregations: Introducing the Second Wave of the National Congregations Study," *Sociology of Religion*, 2008, 69:4, 415-440.
- ^{lii} Mark Chaves and Shawna Anderson, "Continuity and Change in American Congregations: Introducing the Second Wave of the National Congregations Study," *Sociology of Religion*, 2008, 69:4, 415-440.
- ^{liii} Mark Chaves, *Congregations in America*, Harvard University Press, Cambridge, MA, 2004.
- ^{liv} Mark Chaves, *Congregations in America*, Harvard University Press, Cambridge, MA, 2004.
- ^{lv} Mark Chaves, *Congregations in America*, Harvard University Press, Cambridge, MA, 2004, p.81
- ^{lvi} Mark Chaves and Shawna Anderson, "Continuity and Change in American Congregations: Introducing the Second Wave of the National Congregations Study," *Sociology of Religion*, 2008, 69:4, 415-440.
- ^{lvii} Mark Chaves, "Financing American Religion," *New Directions for Philanthropic Fundraising*, Spring 2002, 35, 41-54.
- ^{lviii} Mark Chaves and Shawna Anderson, "Continuity and Change in American Congregations: Introducing the Second Wave of the National Congregations Study," *Sociology of Religion*, 2008, 69:4, 415-440.
- ^{lix} Mark Chaves, "Financing American Religion," *New Directions for Philanthropic Fundraising*, Spring 2002, 35, 41-54.
- ^{lx} See Mark Chaves (2002) and compare with *Giving USA: The Annual Report on Philanthropy for the Year 2011*, www.givingusareports.org.
- ^{lxi} See the Giving to Religion chapter for an overview of these studies in *Giving USA: The Annual Report on Philanthropy for the Year 2011*, www.givingusareports.org
- ^{lxii} Mark Chaves, "Financing American Religion," *New Directions for Philanthropic Fundraising*, Spring 2002, 35, 41-54, p. 42.
- ^{lxiii} Roger Finke, Matt Bahr, and Christopher Scheitle, "Toward explaining congregational giving," *Social Science Research*, 2006, 35, 620-641; D.R. Hoge, "Introduction: the problem of understanding church giving," *Review of Religious Research*, December 1994, 36, 101-110.
- ^{lxiv} However, Finke et. al (2006) noted that congregational difference for giving found in their study could be caused by differing "dimensions of requirements, beliefs, and involvement" that were not accounted for in their model.
- ^{lxv} Mark Chaves, "Financing American Religion," *New Directions for Philanthropic Fundraising*, Spring 2002, 35, 41-54.
- ^{lxvi} D.R. Hoge, "Introduction: the problem of understanding church giving," *Review of Religious Research*, December 1994, 36, 101-110.
- ^{lxvii} Mark Chaves, "Financing American Religion," *New Directions for Philanthropic Fundraising*, Spring 2002, 35, 41-54.
- ^{lxviii} Respondents classified as "other" were most likely to be Unitarian Universalist, other Christian faiths, or other non-Christian faiths, such as New Thought.
- ^{lxix} See the Pew Forum on Religion and Public Life at <http://religions.pewforum.org/reports> for a description of this classification system.