



GREY MATTER
RESEARCH & CONSULTING

Evangelical Pastor Study

Presented to
National Association of Evangelicals

July 2015

NAE | National Association of
Evangelicals

Study Details

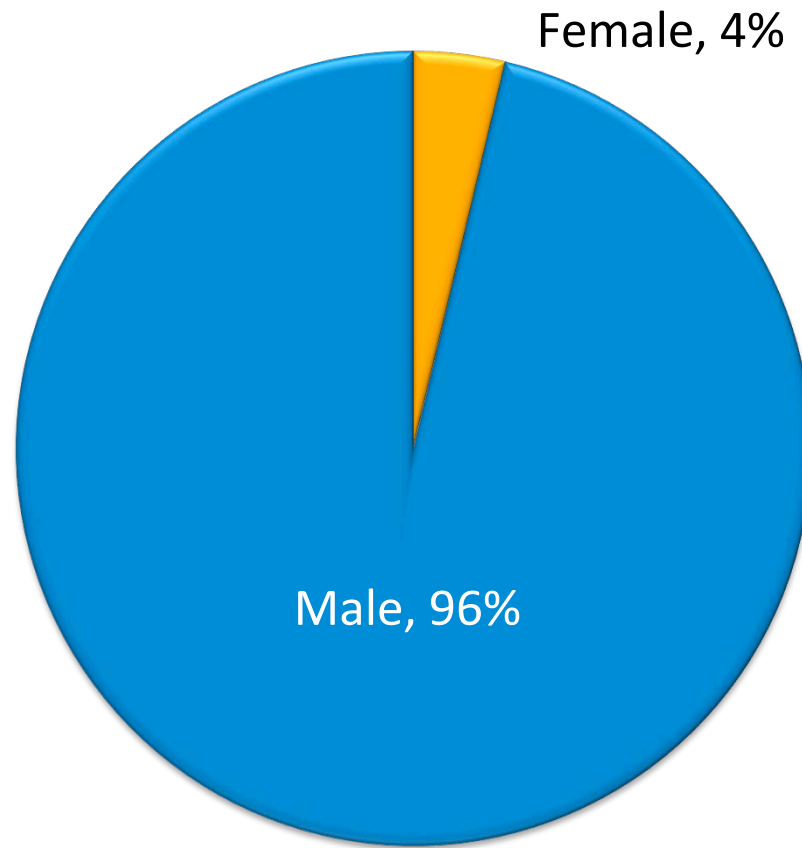
- The study was conducted online through 19 participating denominations. Each denomination was responsible for sending invitations to senior pastors.
- Only senior pastors were allowed to participate.
- Questionnaire design and analysis was conducted by Grey Matter Research & Consulting (Phoenix, AZ).
- A total of 4,249 interviews were completed. Final data was weighted to represent the relative number of U.S. congregations in each denomination.



Respondent Background

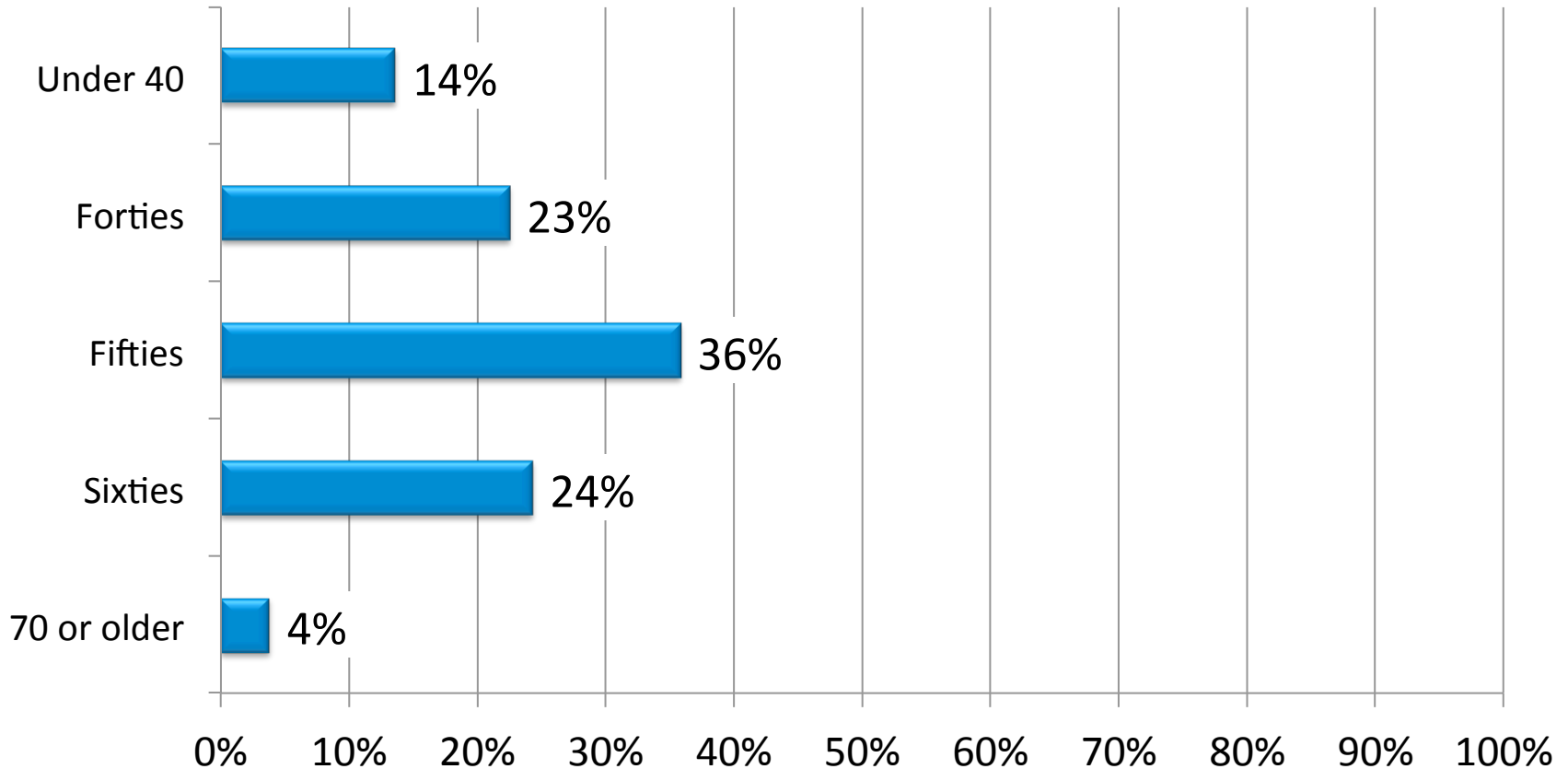
Gender

As might be expected, the vast majority of senior pastors were men.



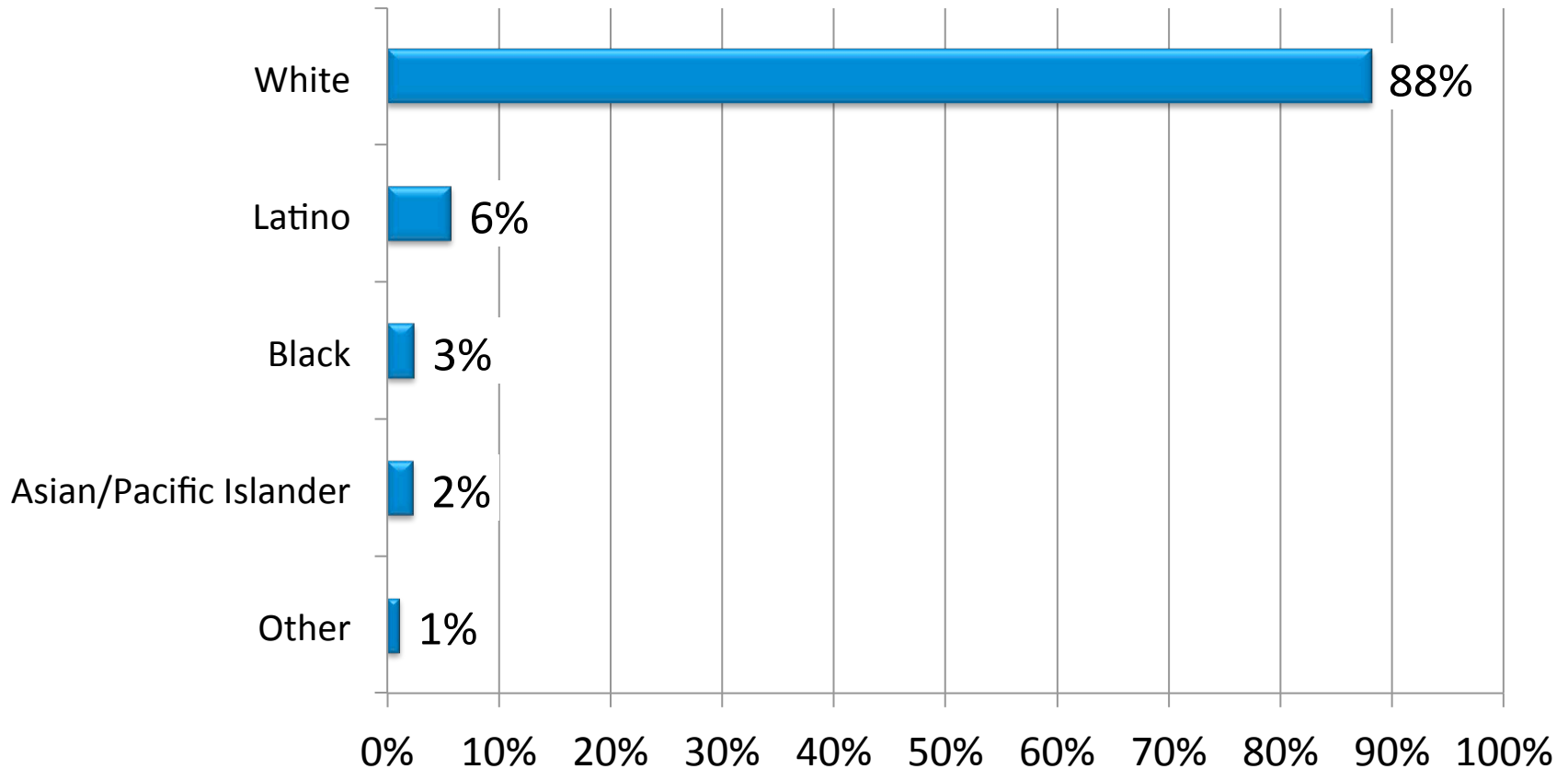
Age

The average age was 52.7, with a median of 54. The online methodology undoubtedly skewed age downward a bit, as about half of all Americans who do not use the internet are senior adults.



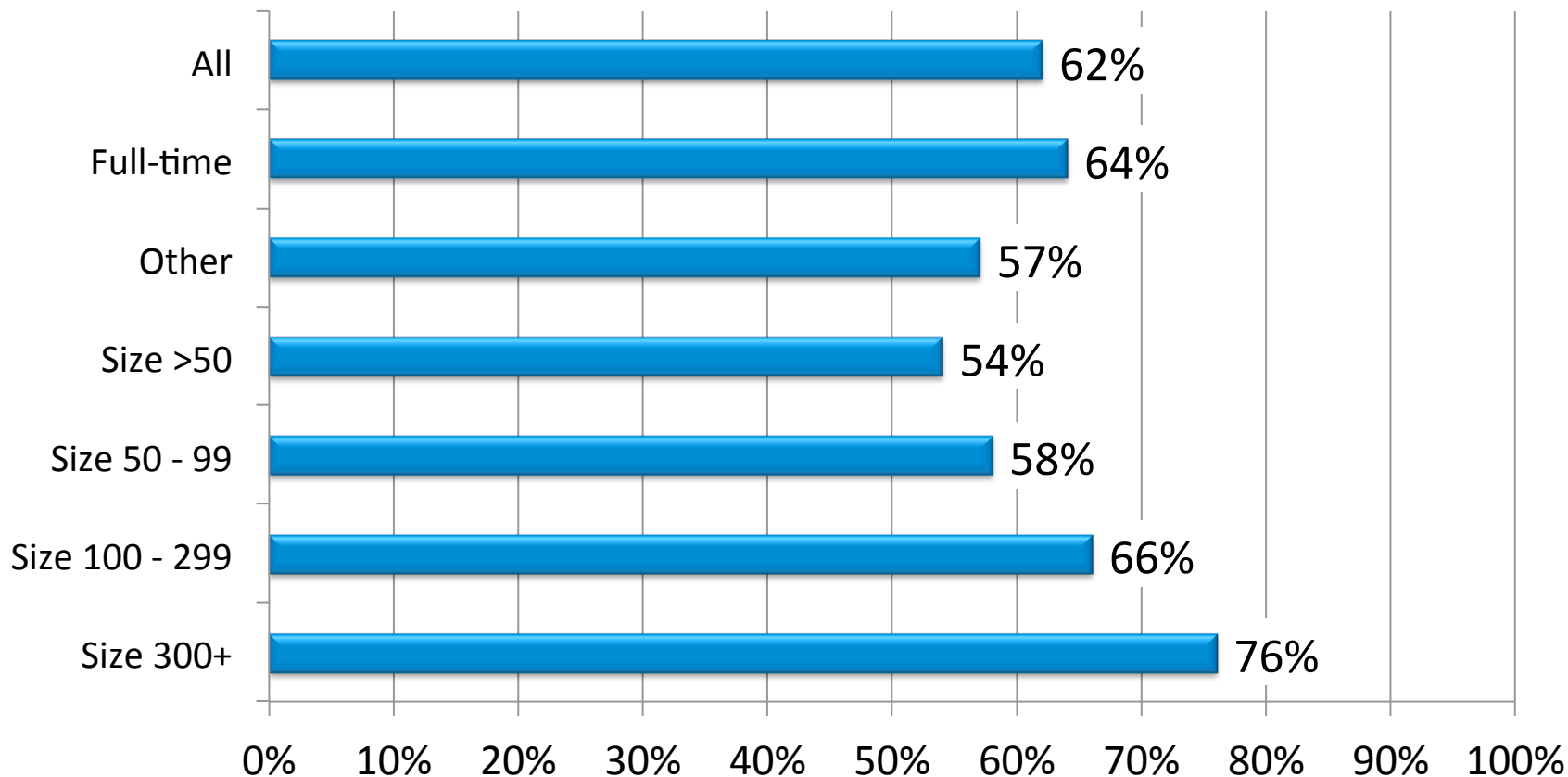
Race/Ethnicity

Almost nine out of ten respondents were Caucasian.



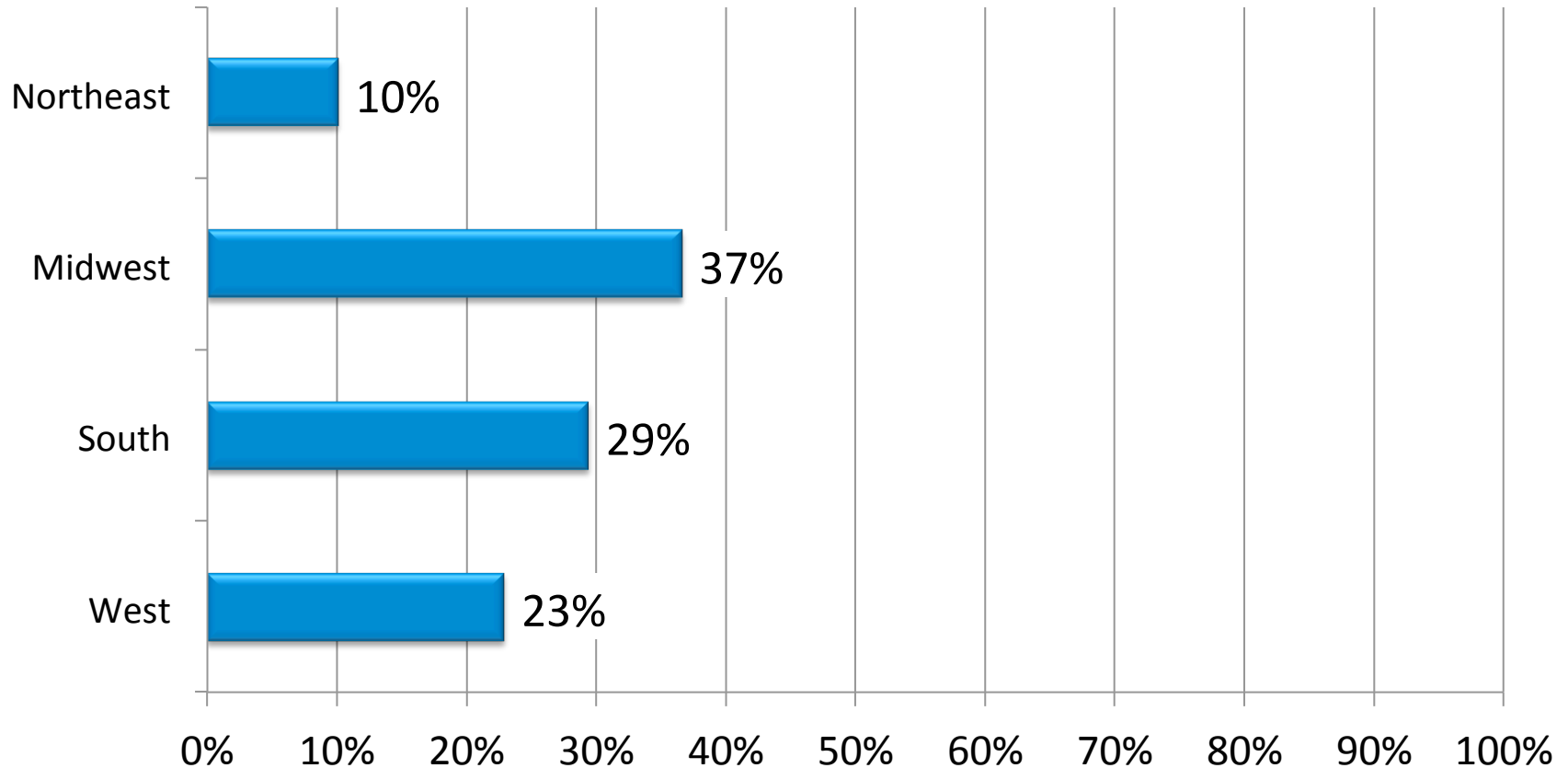
Graduate Education

Six out of ten pastors had a seminary or other graduate degree. This was more common in larger churches, and therefore also among full-time paid pastors.



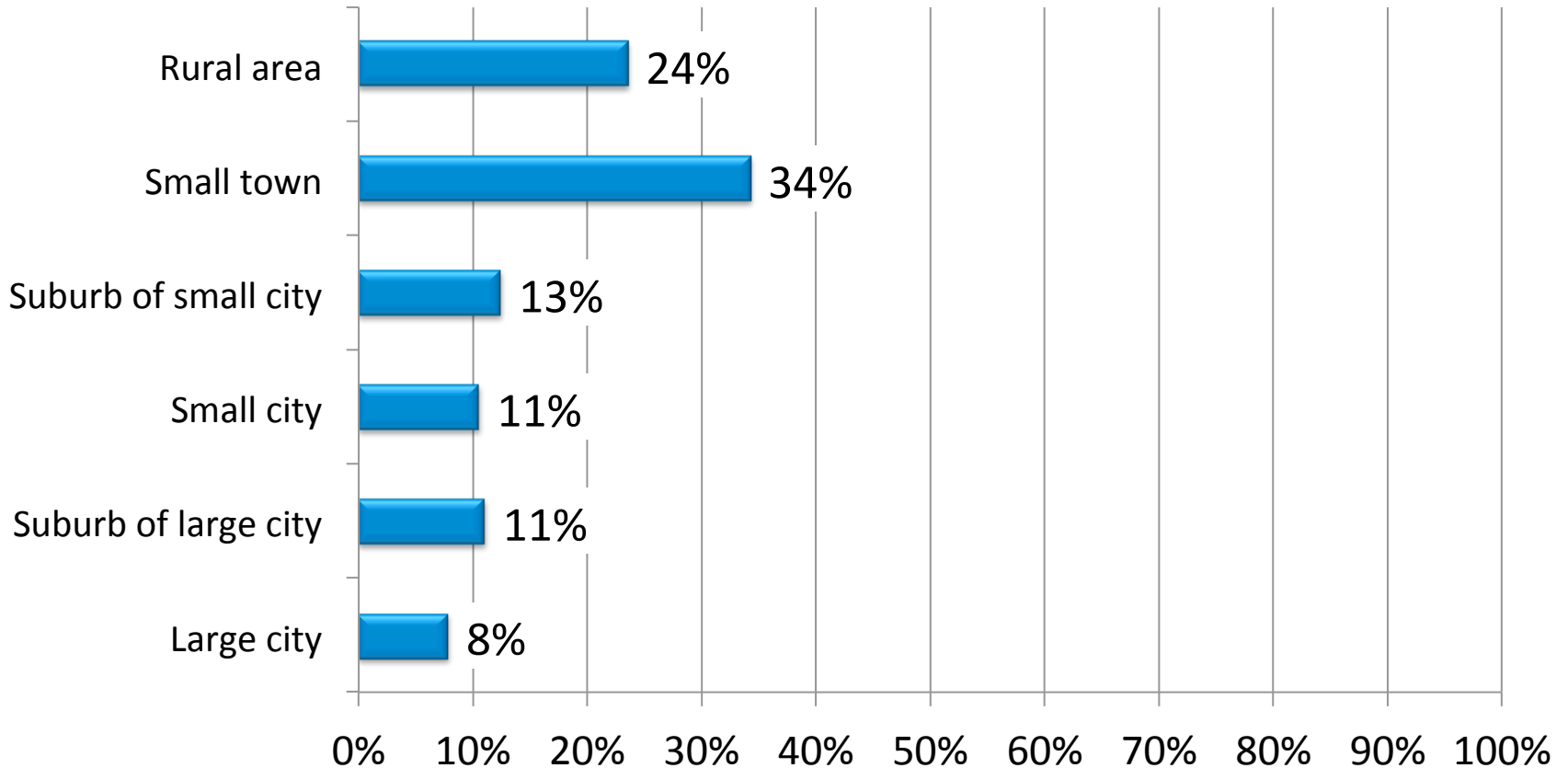
Geographic Region

The Midwest was most heavily represented in this study, with relatively few coming from the Northeast.



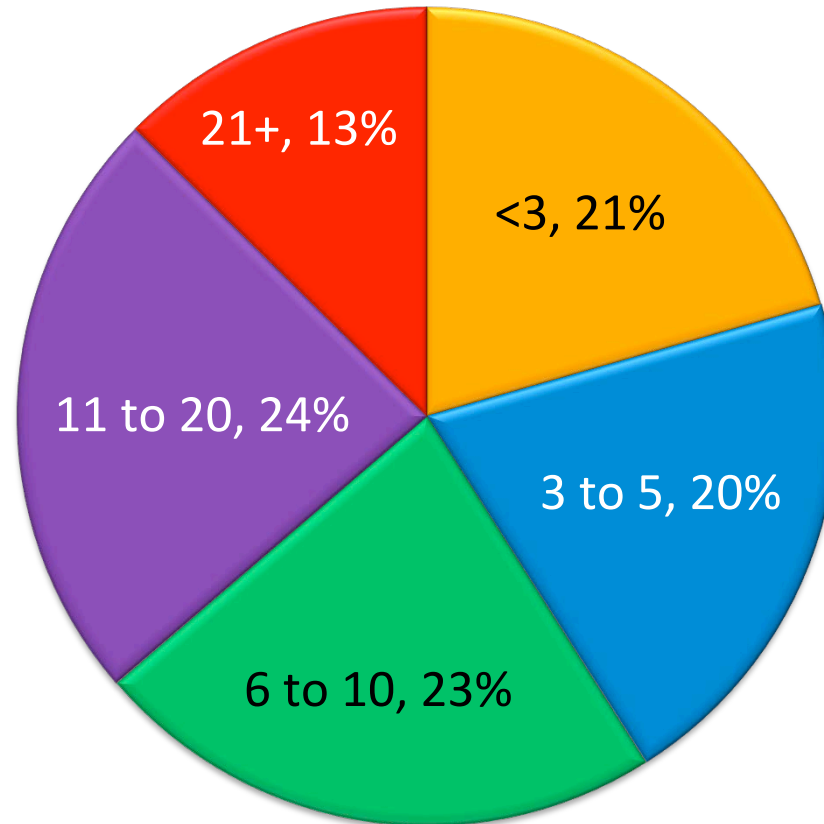
Community Type

Almost six out of ten respondents were from small towns or rural areas.



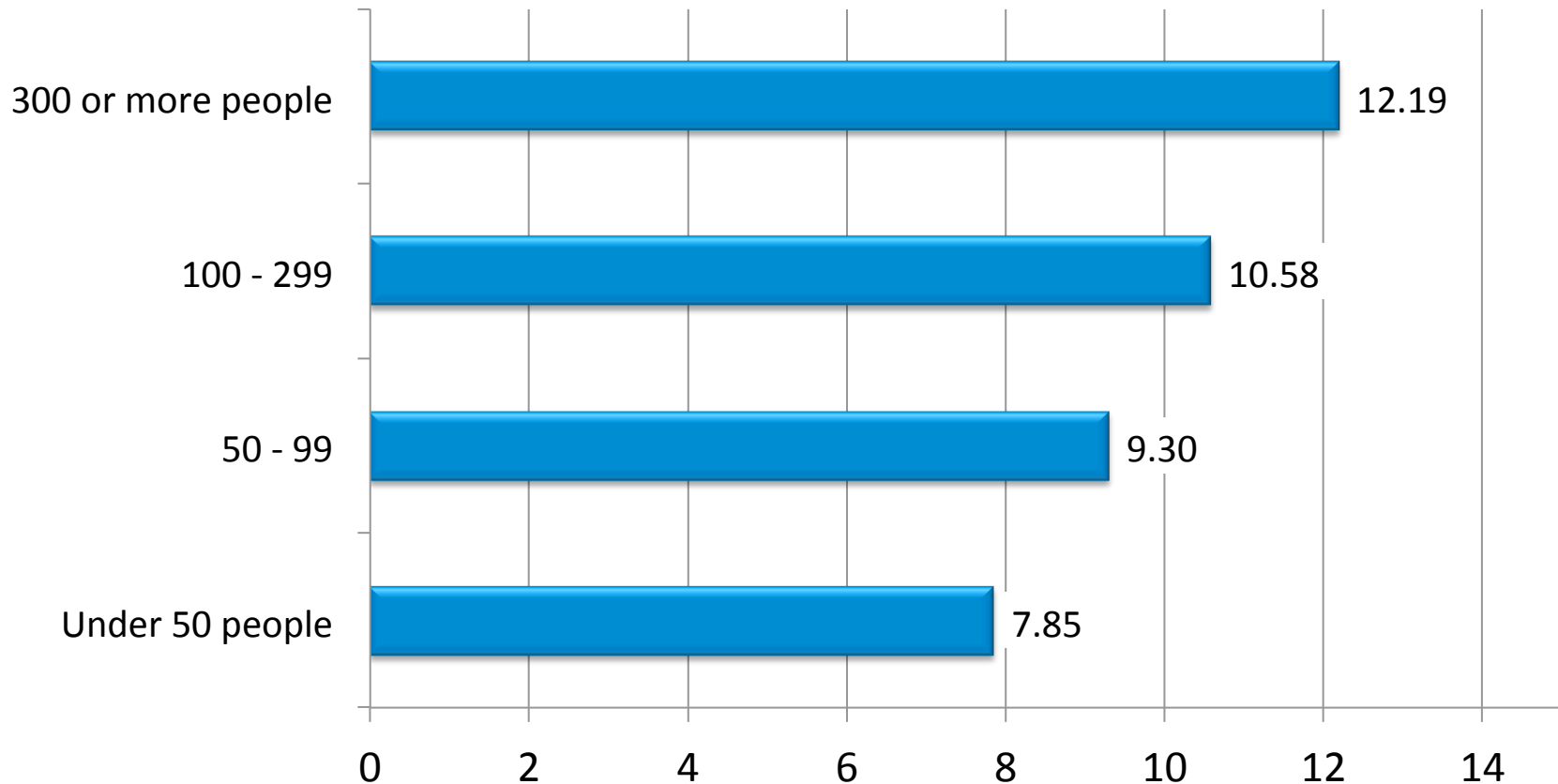
Length of Service with Current Church

Pastors had been with their current church an average of 9.7 years, with a median of 7.



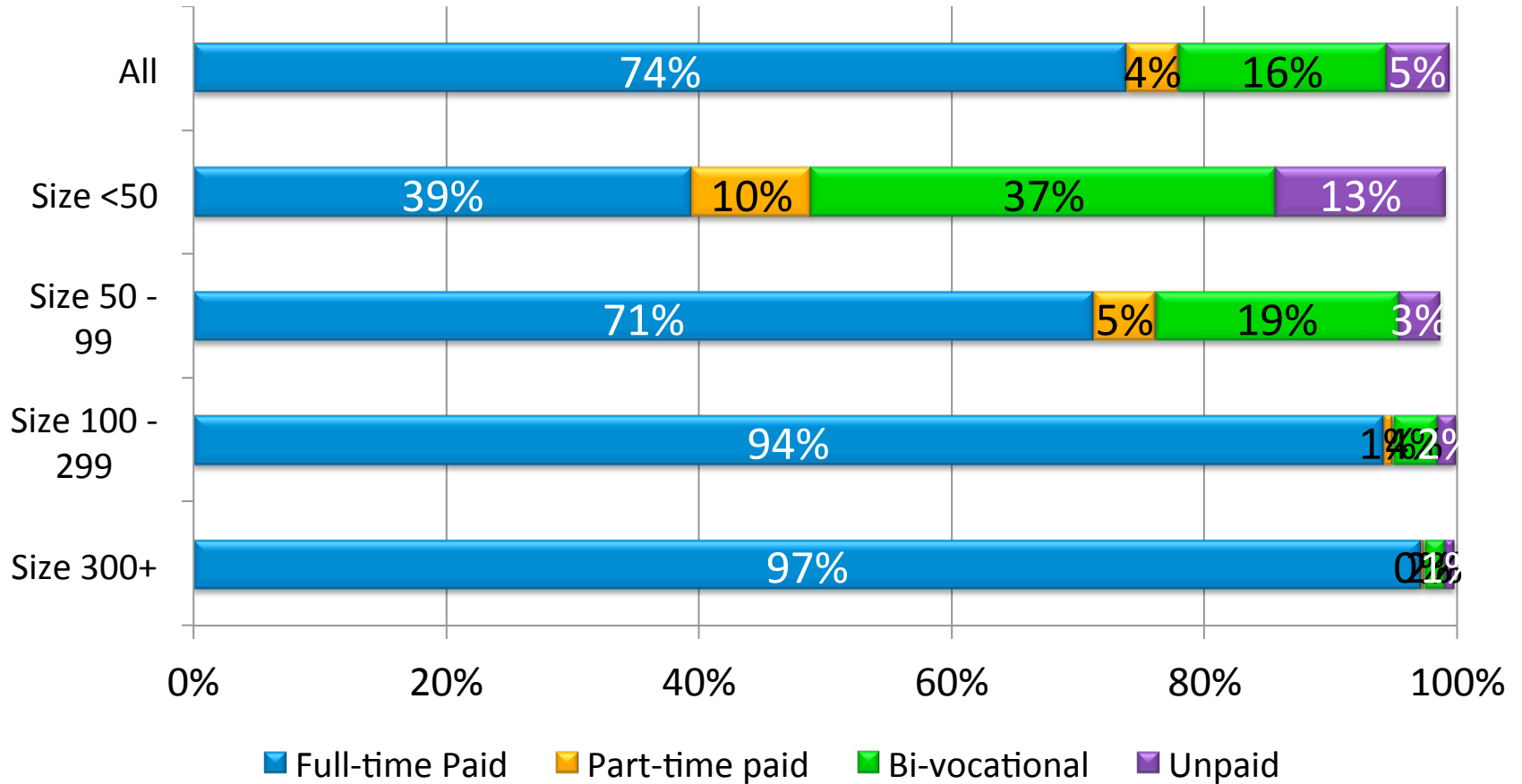
Tenure by Church Size

The larger the congregation, the higher the average number of years the current pastor had served there.



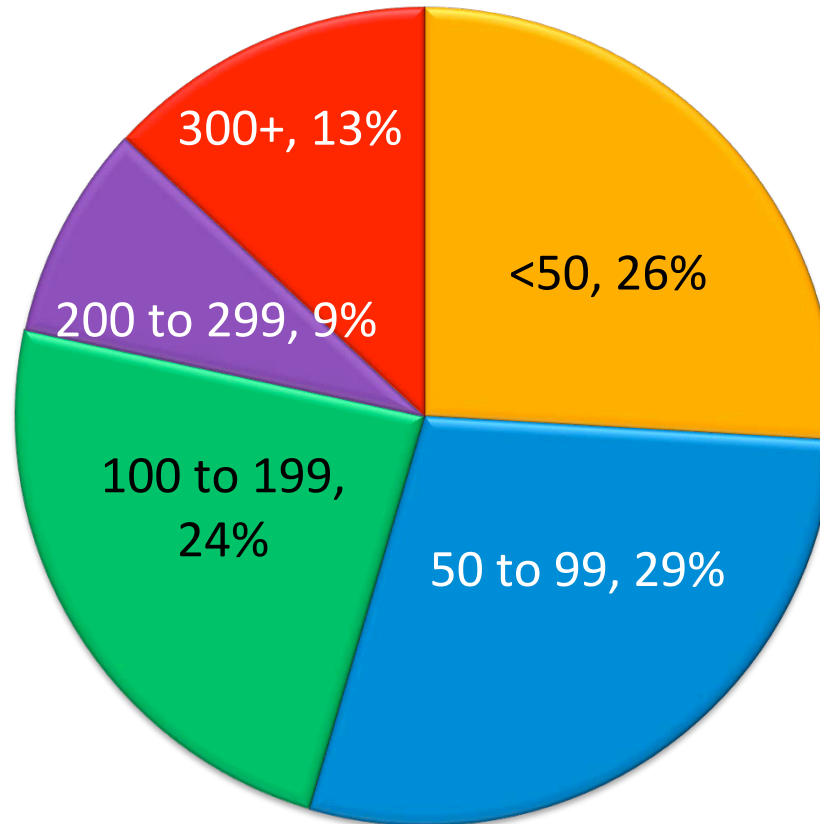
Pastor Position

Only a minority of pastors in the smallest churches had a full-time paid position, but almost all pastors in churches of 100 or more had such a position.



Attendance

The average church size was 175 people, with a median of 84. One out of every four churches had fewer than 50 adults and children attending.

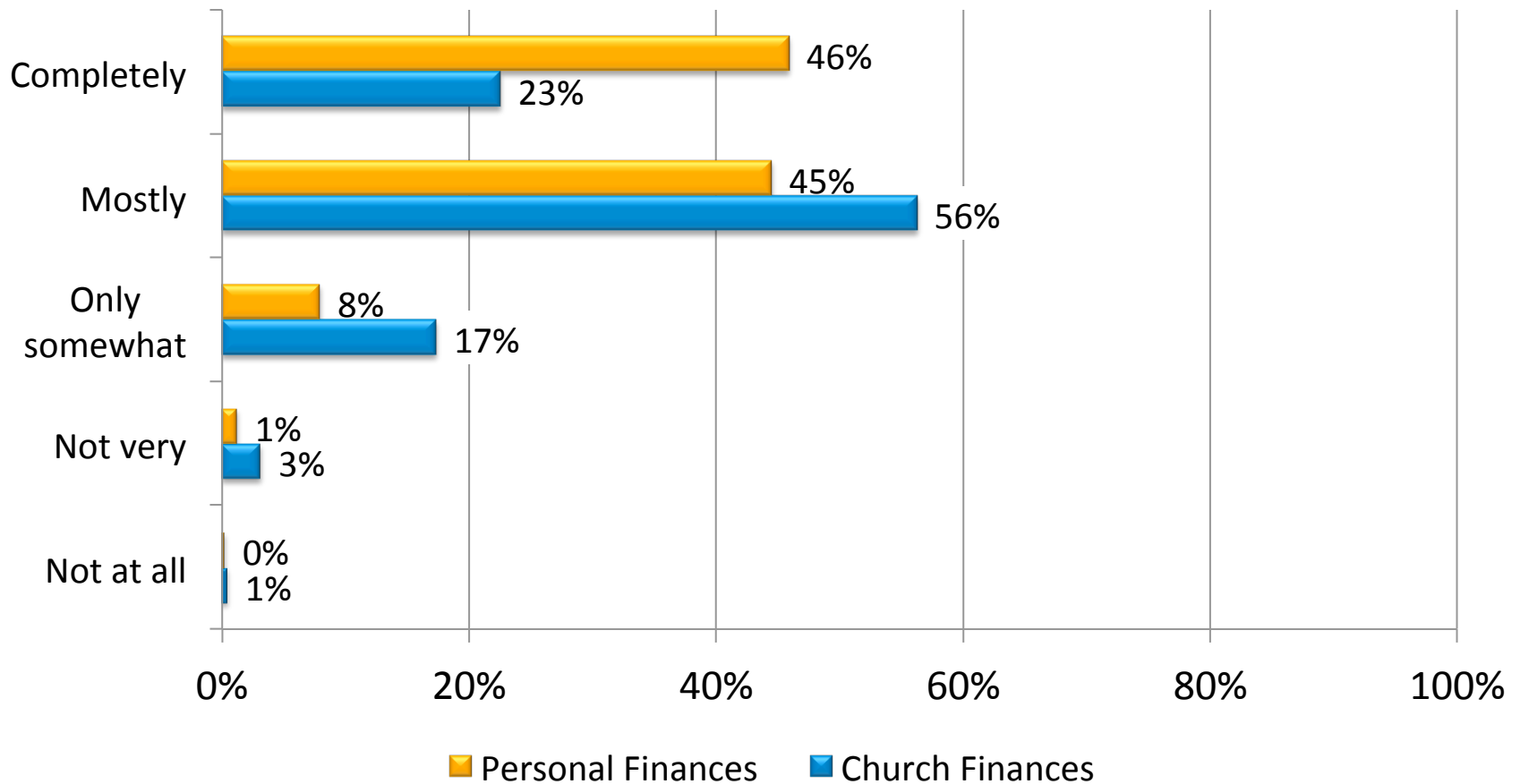




Confidence with Finances

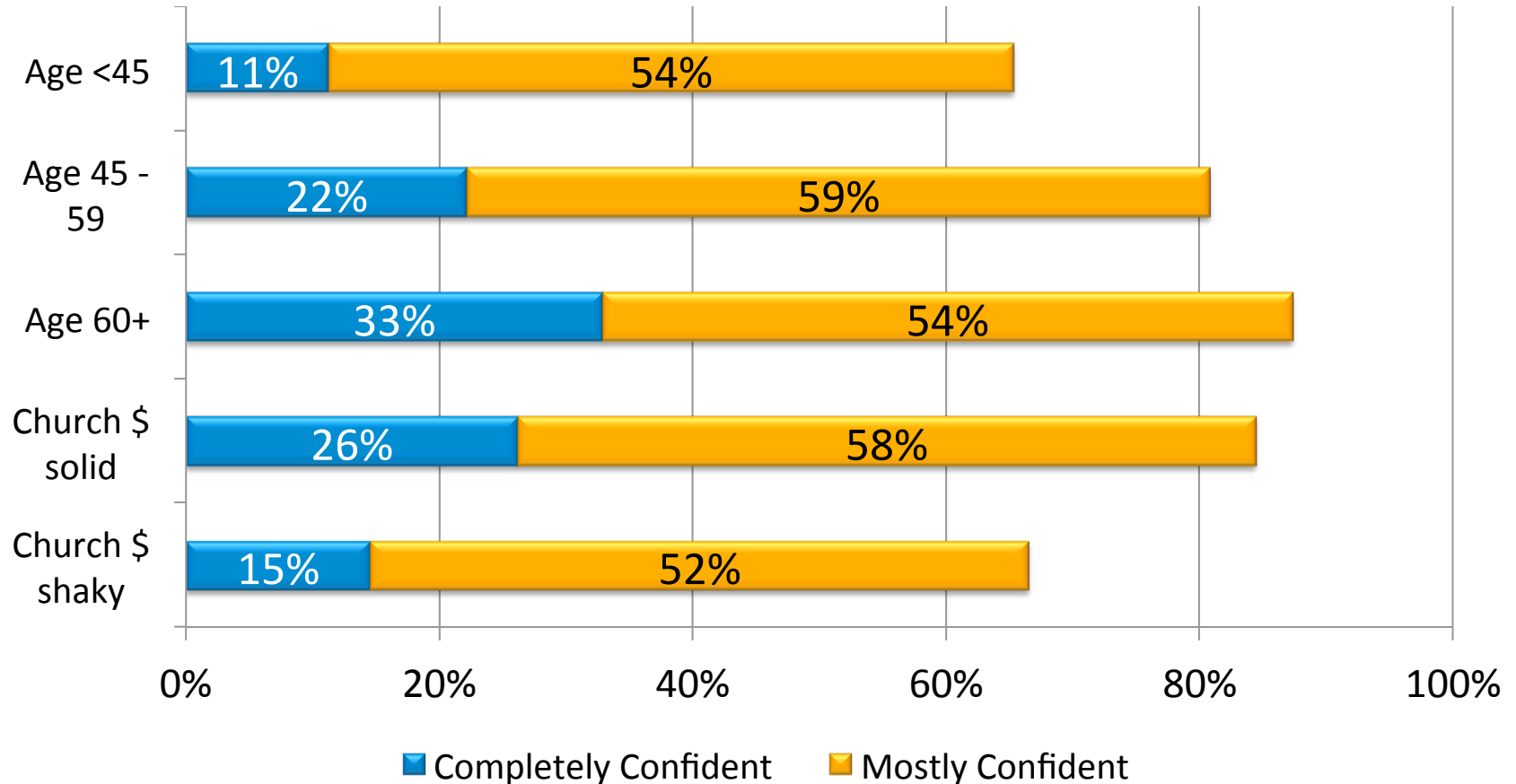
Confidence Shepherding Finances

Pastors were far more likely to be confident shepherding their household's finances than managing their church's finances.



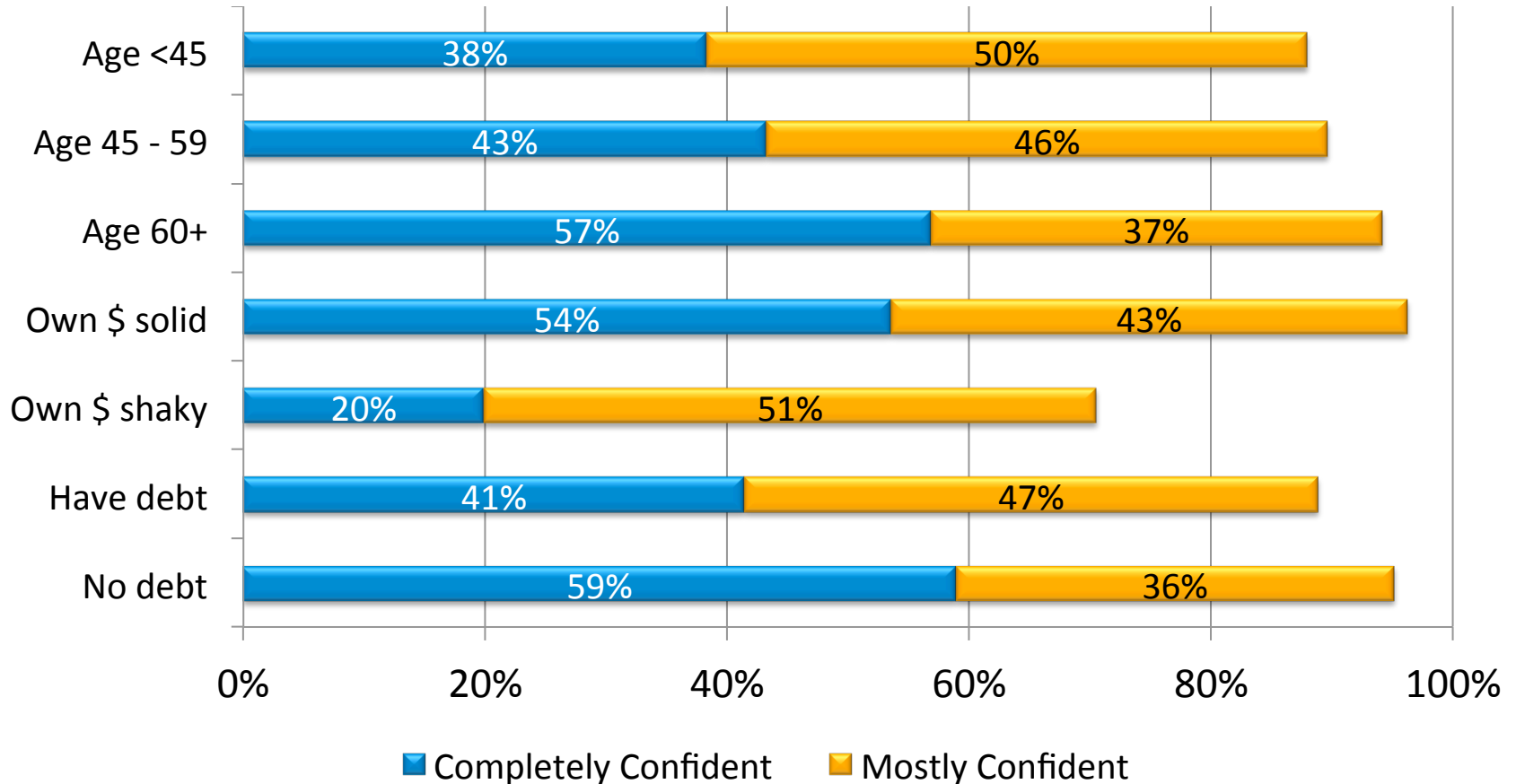
Shepherding Church Finances

Younger pastors and those who were in churches with shaky finances were considerably less confident than others shepherding their church's finances.



Shepherding Household Finances

The situation was similar with household finances: younger pastors, those who had shaky household finances, and those carrying debt were considerably less confident than others shepherding their household's finances.

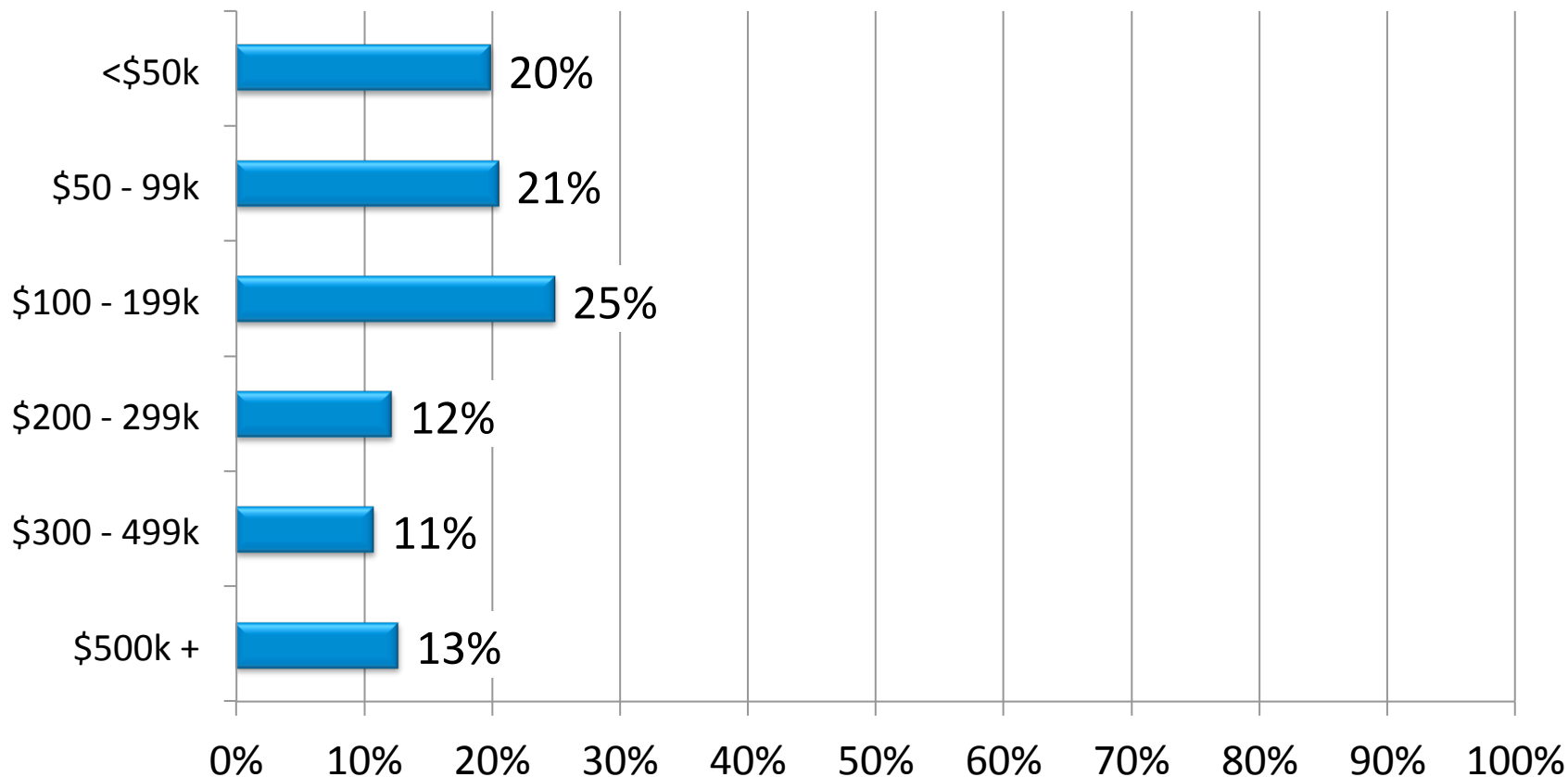




Church Finances

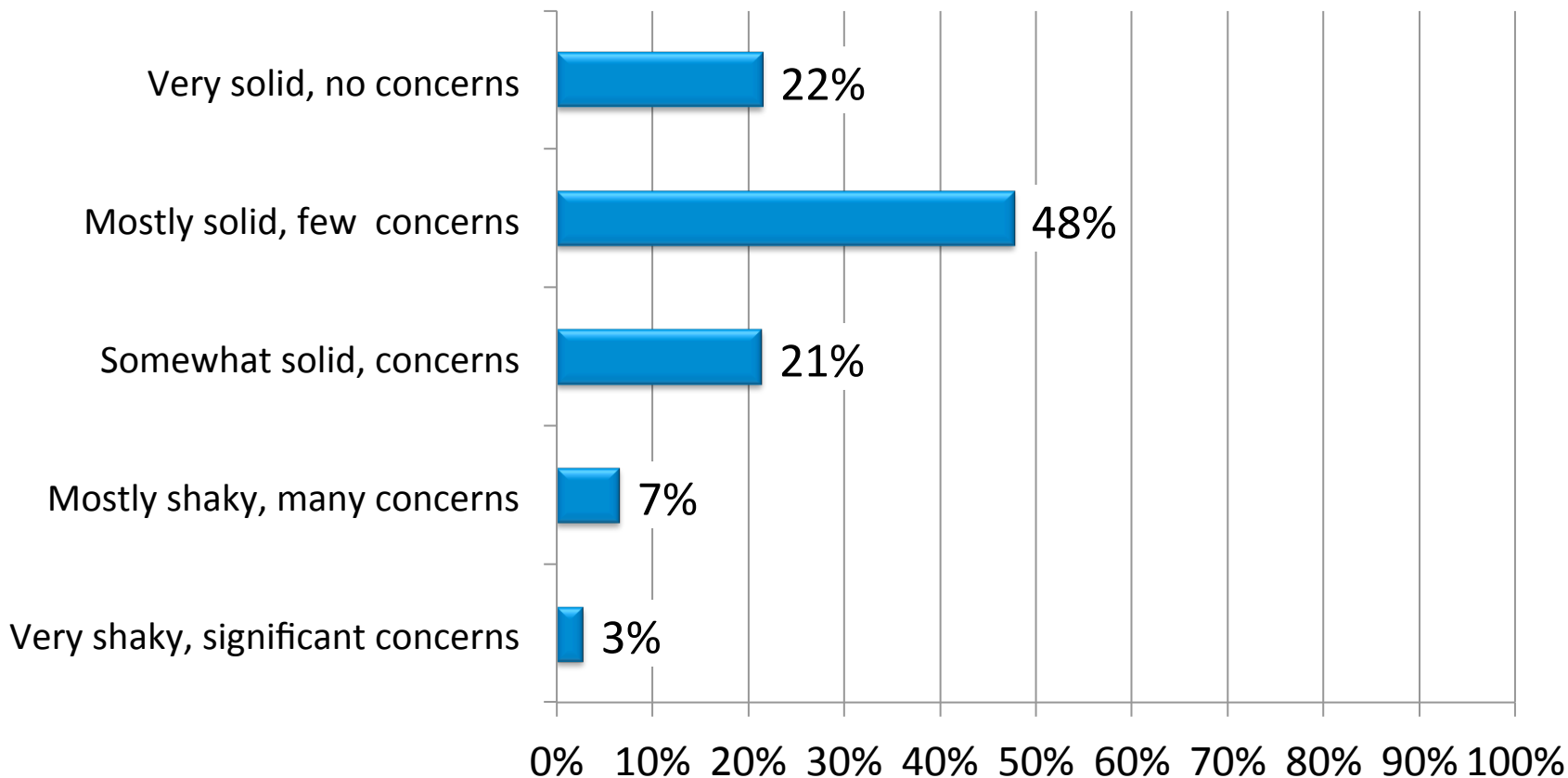
Church Income

The average gift income for churches was \$286,053, but the median was only \$125,000. This works out to about \$1,632 of income per attendee.



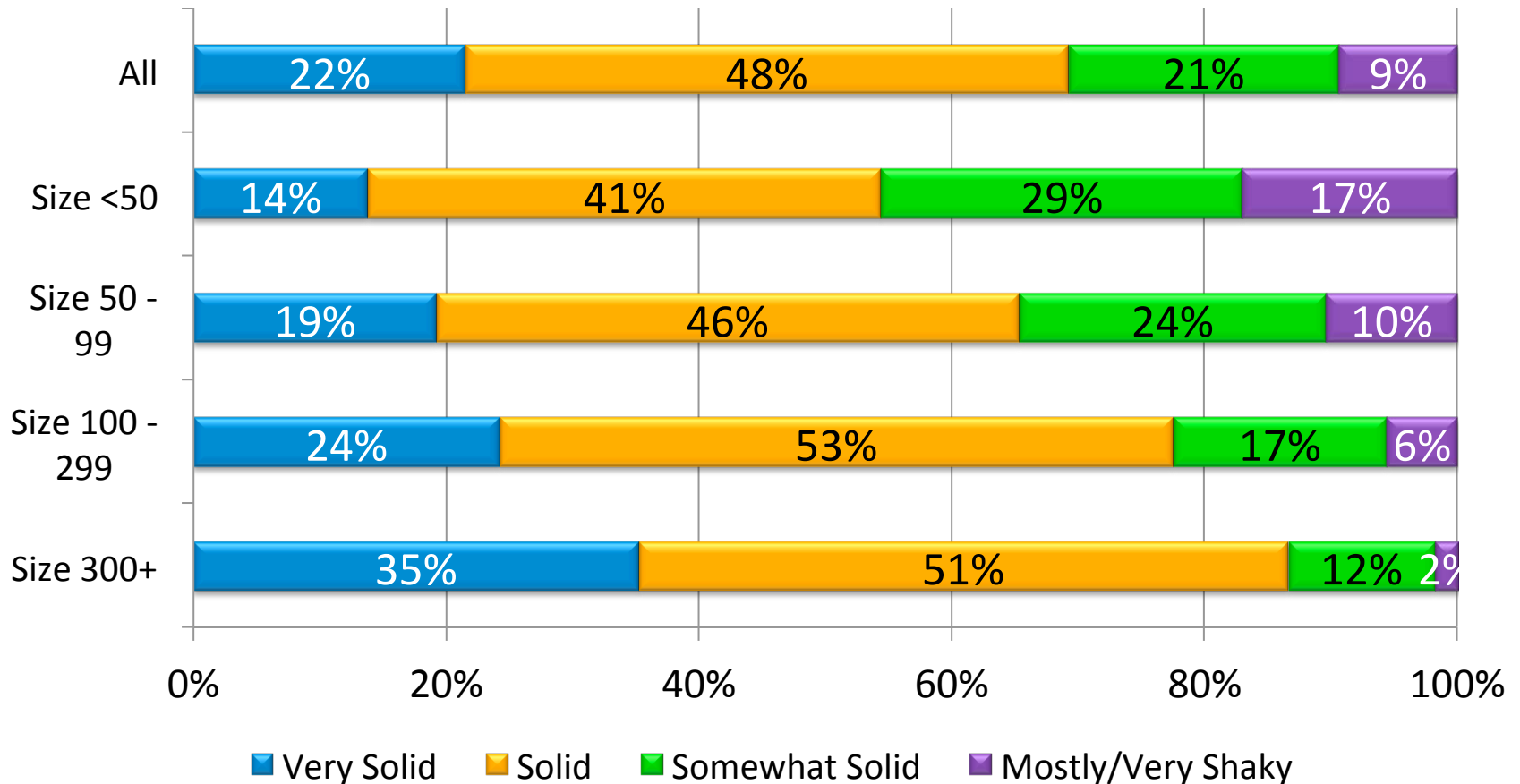
Church Financial Situation

While only one out of ten churches were on shaky financial ground, just 22% were very solid financially with few or no concerns.



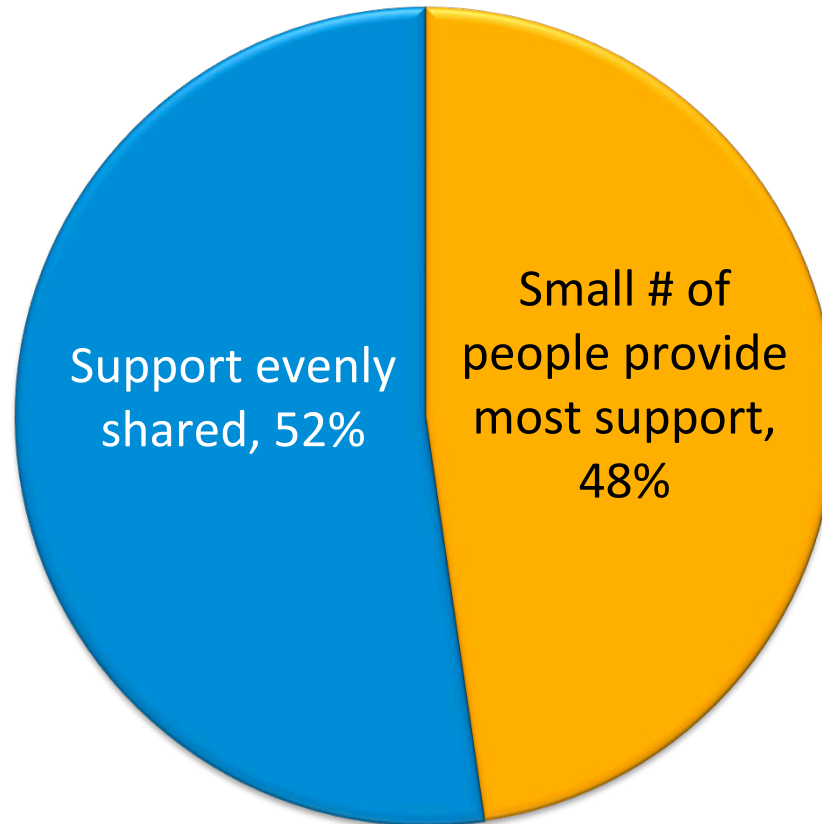
Church Financial Situation

The smaller the church, the greater the chances that it was in a precarious financial situation.



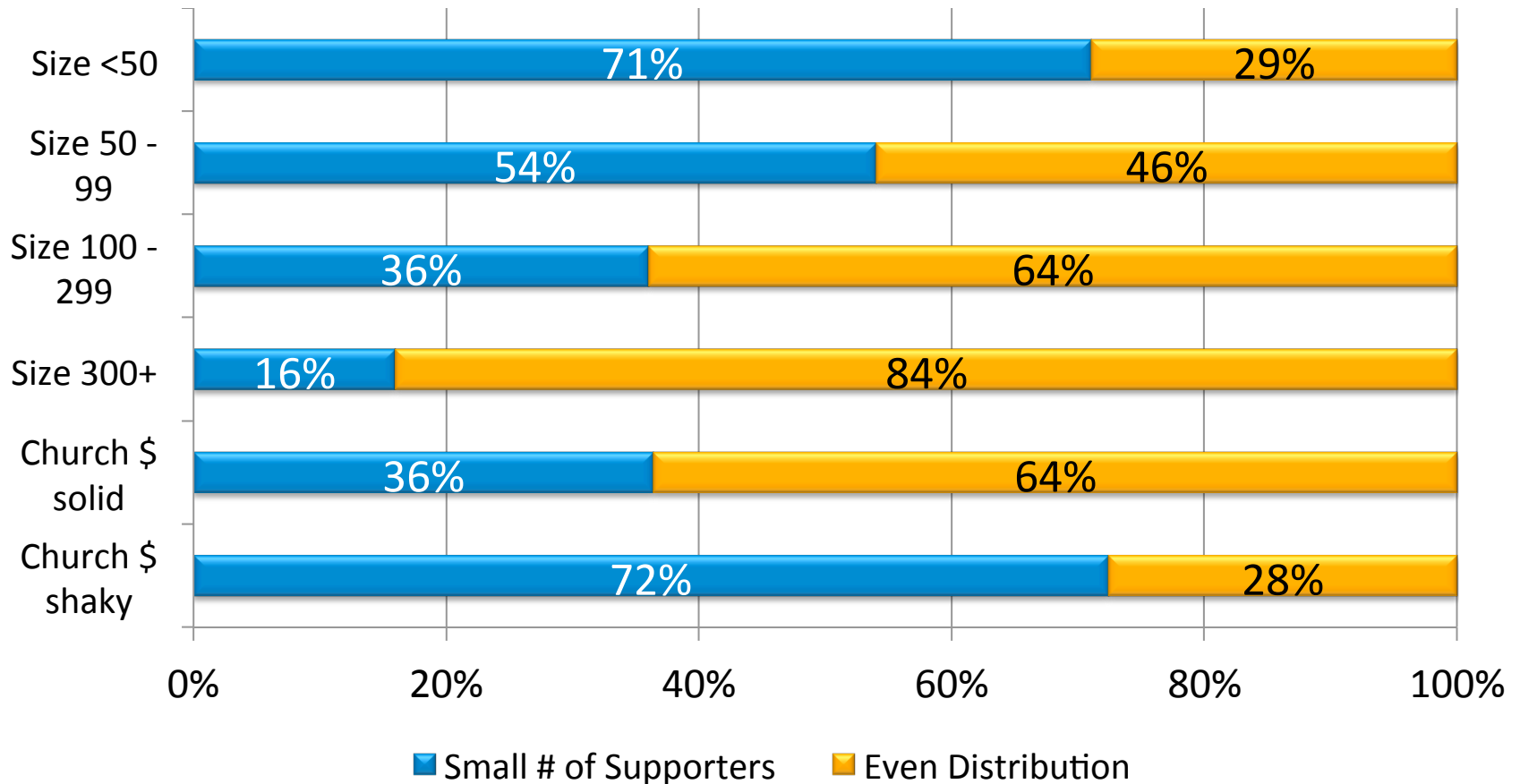
Congregational Support

Almost half of all churches get a large proportion of their financial support from a small number of people, and without those people the church would be in trouble.



A Small Number of Supporters

Having church financial support in the hands of a small number of people was particularly common in smaller congregations and in churches which were on shaky ground financially.

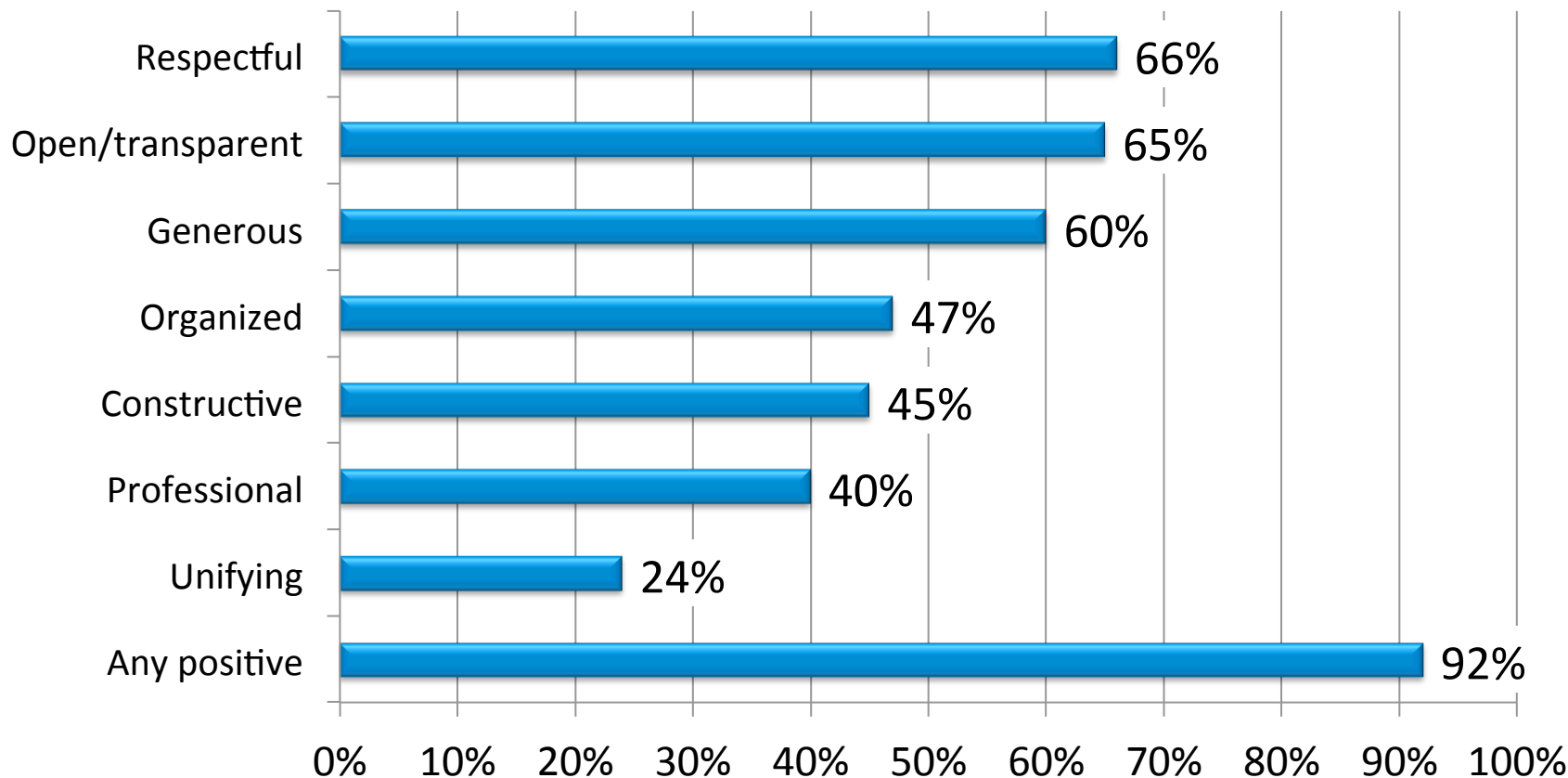




Church Financial Culture

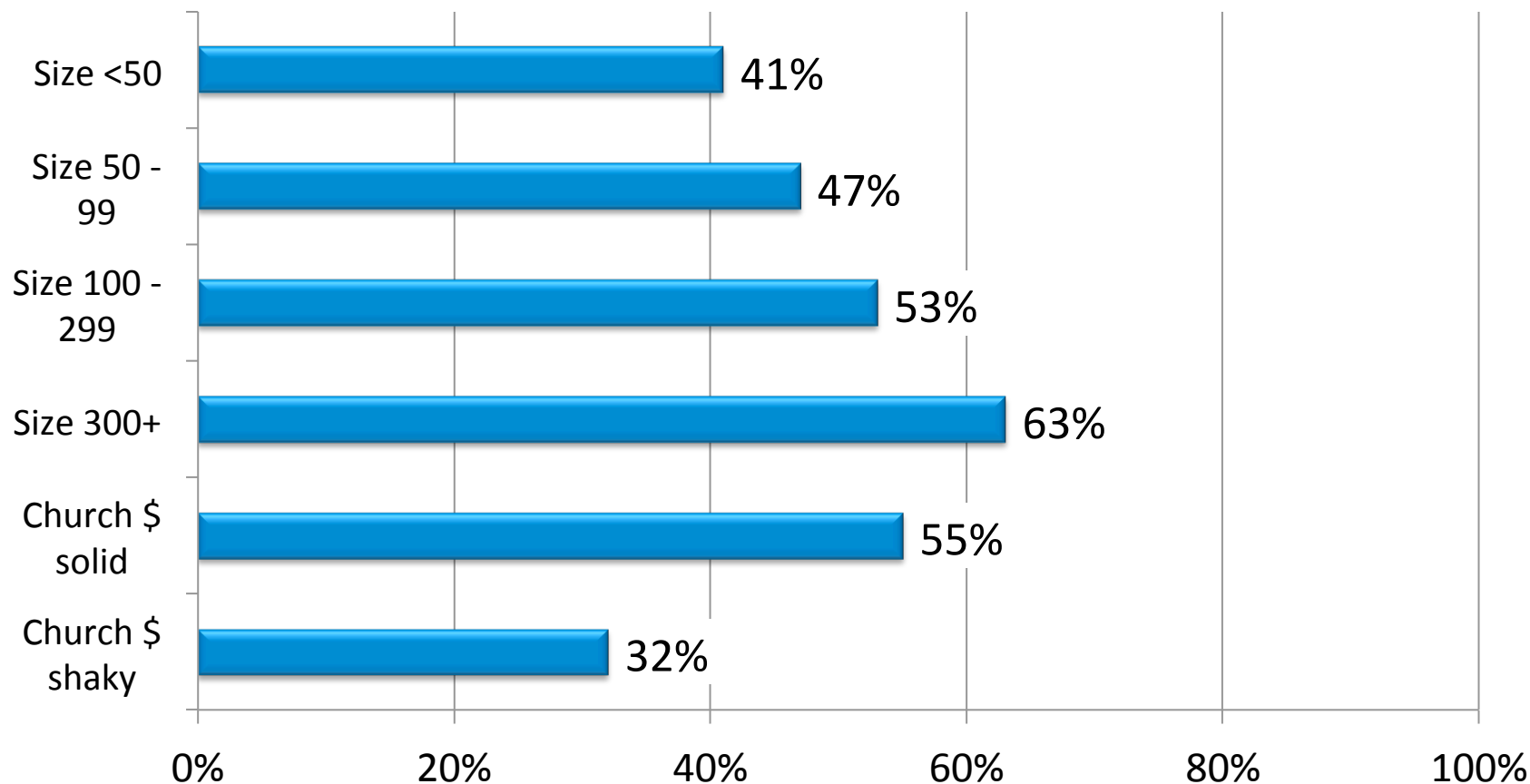
Positive Financial Culture

Ninety-two percent used at least one positive term to describe their church's culture when it comes to discussing church finances. However, a majority would *not* describe it as organized, constructive, professional, or especially unifying.



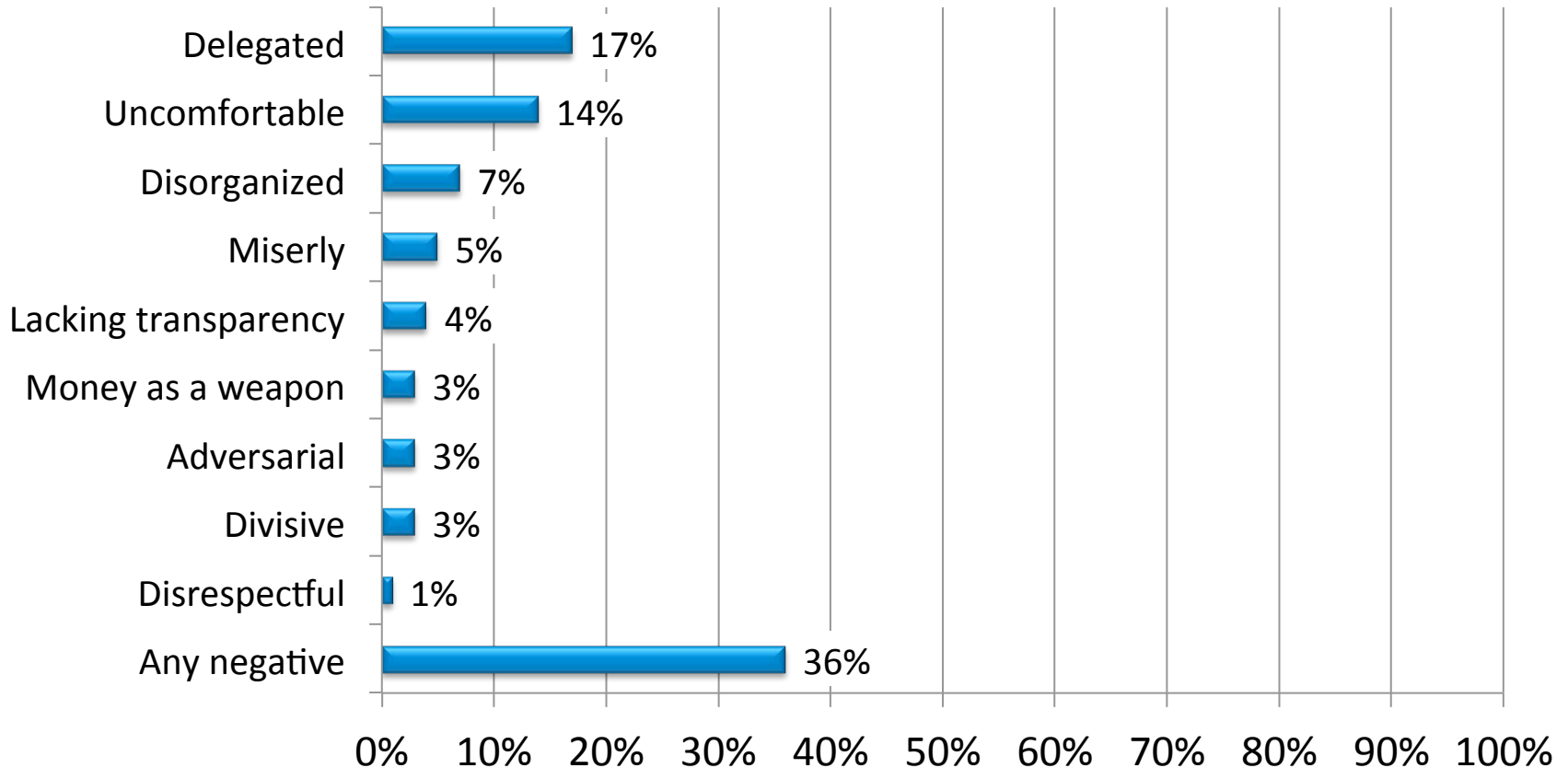
Positive Financial Culture

The average proportion who used each positive description was considerably lower for pastors in smaller churches and churches that were on shaky ground financially.



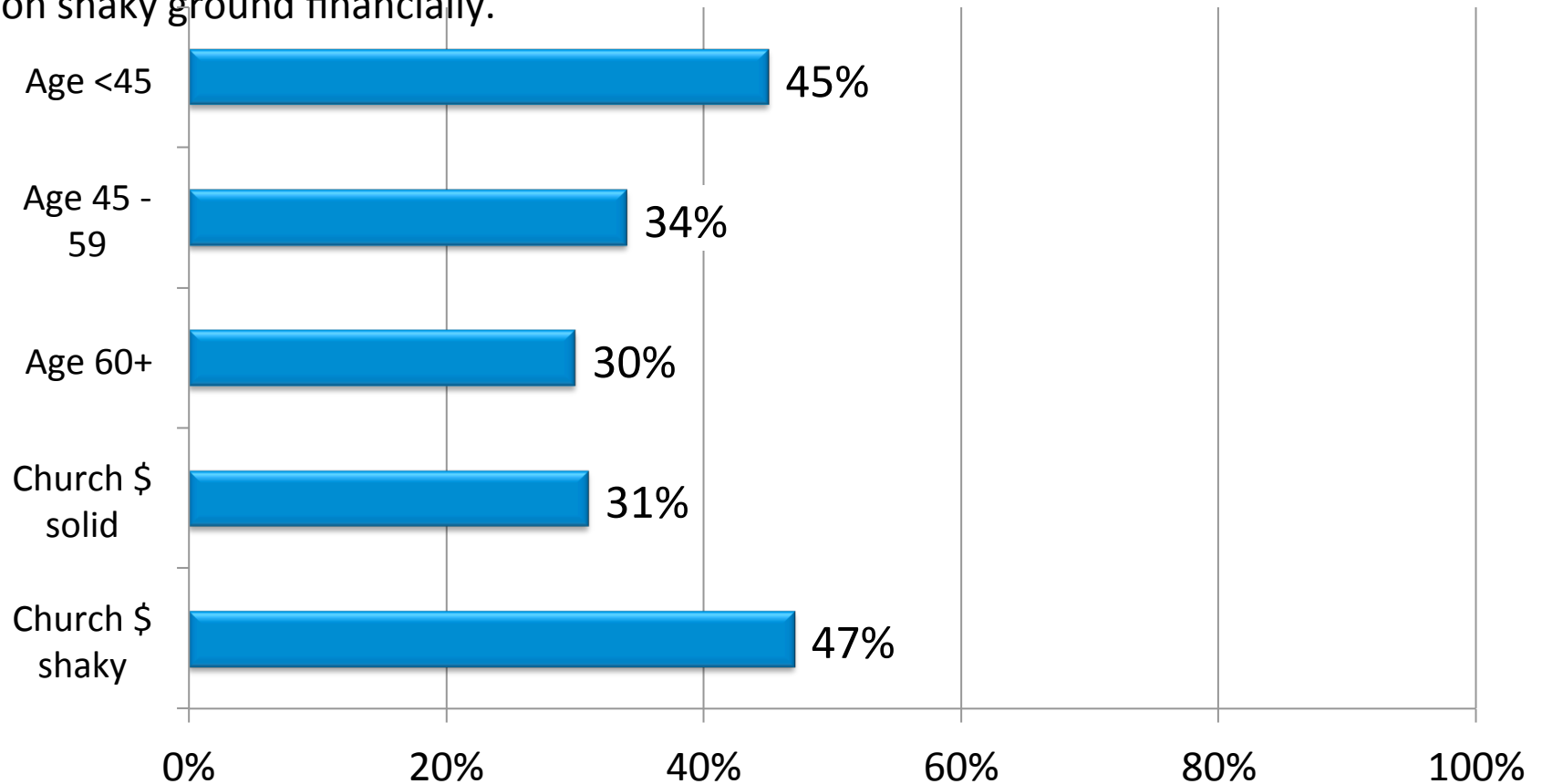
Negative Financial Culture

Thirty-six percent used at least one negative term to describe their church's culture when it comes to discussing church finances, with the most common being "delegated" and "uncomfortable."



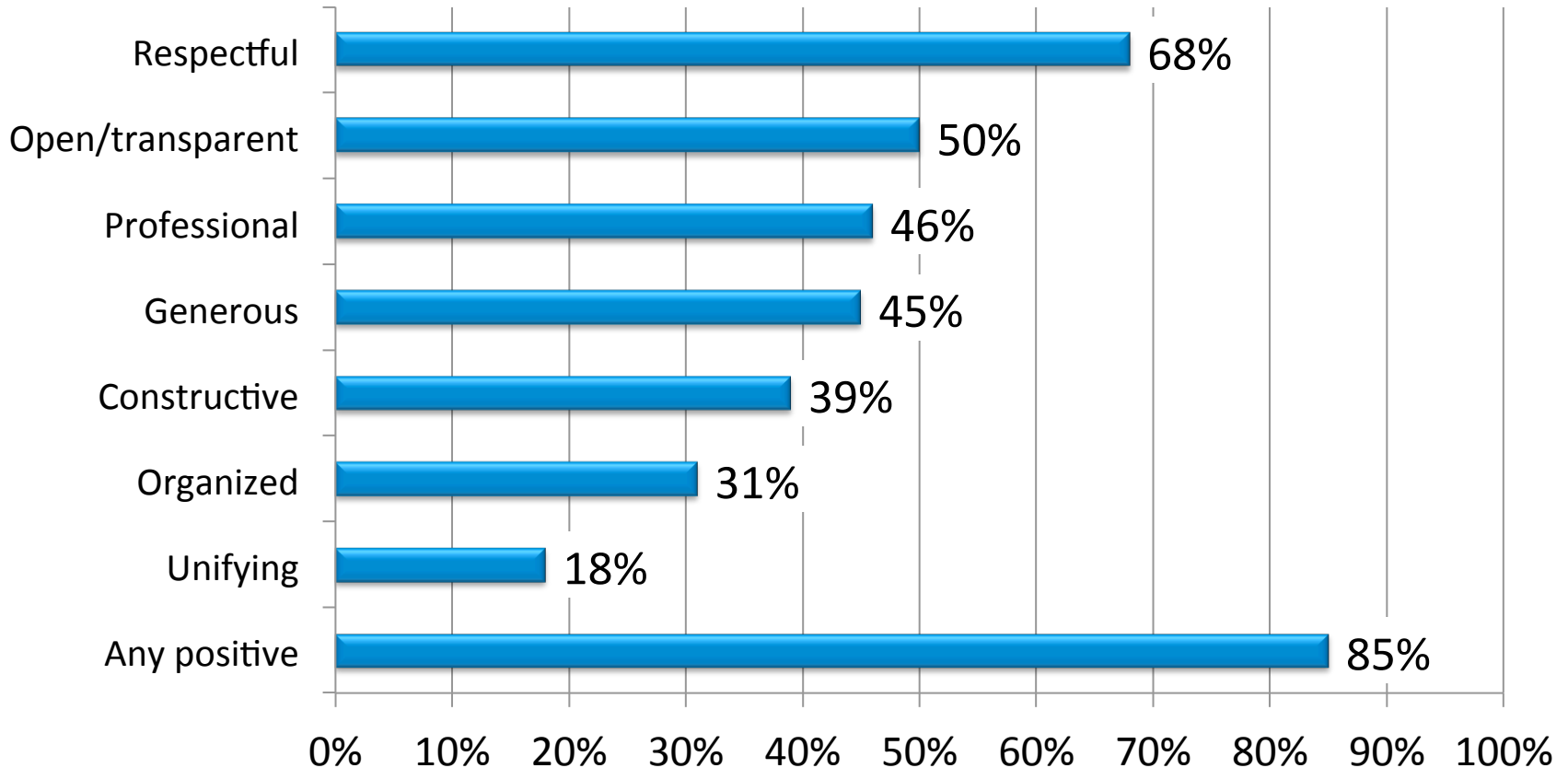
Negative Financial Culture

The proportion who used at least one negative description did not vary much by church size, but it was much higher among younger pastors and in churches that were on shaky ground financially.



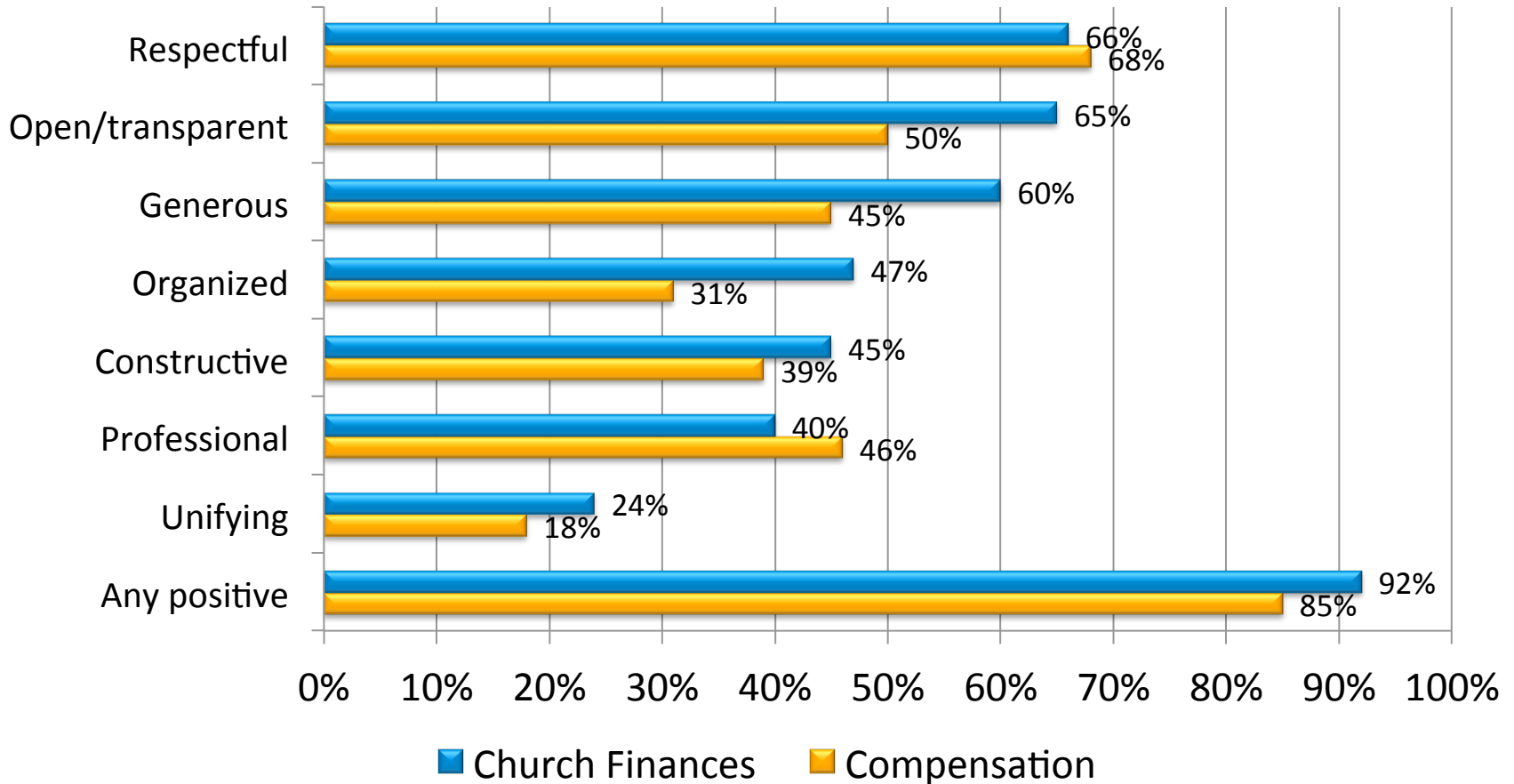
Positive Compensation Culture

Eighty-five percent used at least one positive term to describe their church's culture when it comes to discussing the pastor's compensation. But only one of the seven positive terms tested had a majority of all pastors selecting that term: "respectful."



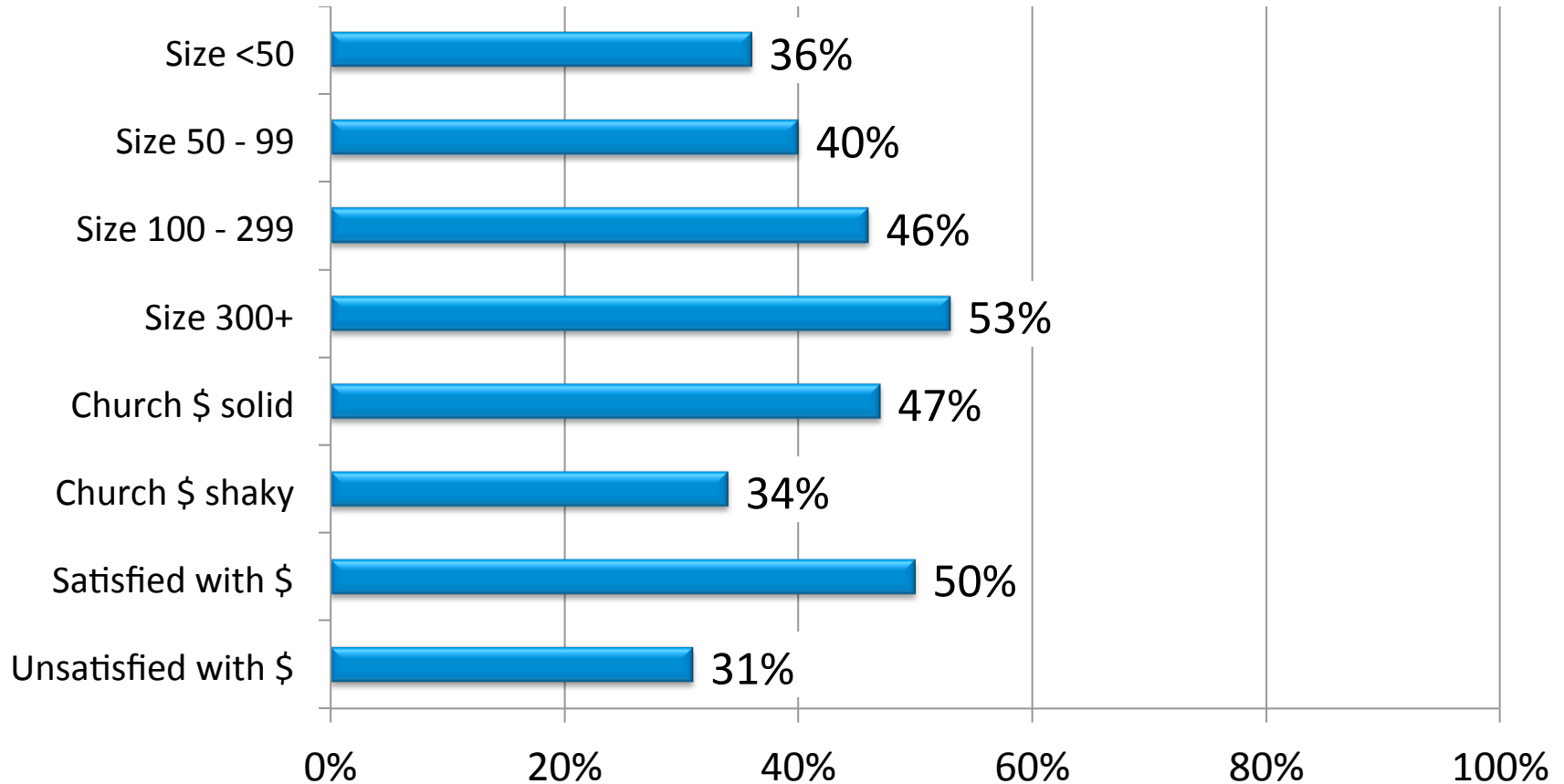
Less Positive Culture

Pastors saw the church culture as less positive when it comes to their own compensation, particularly in the areas of transparency, generosity, and organization.



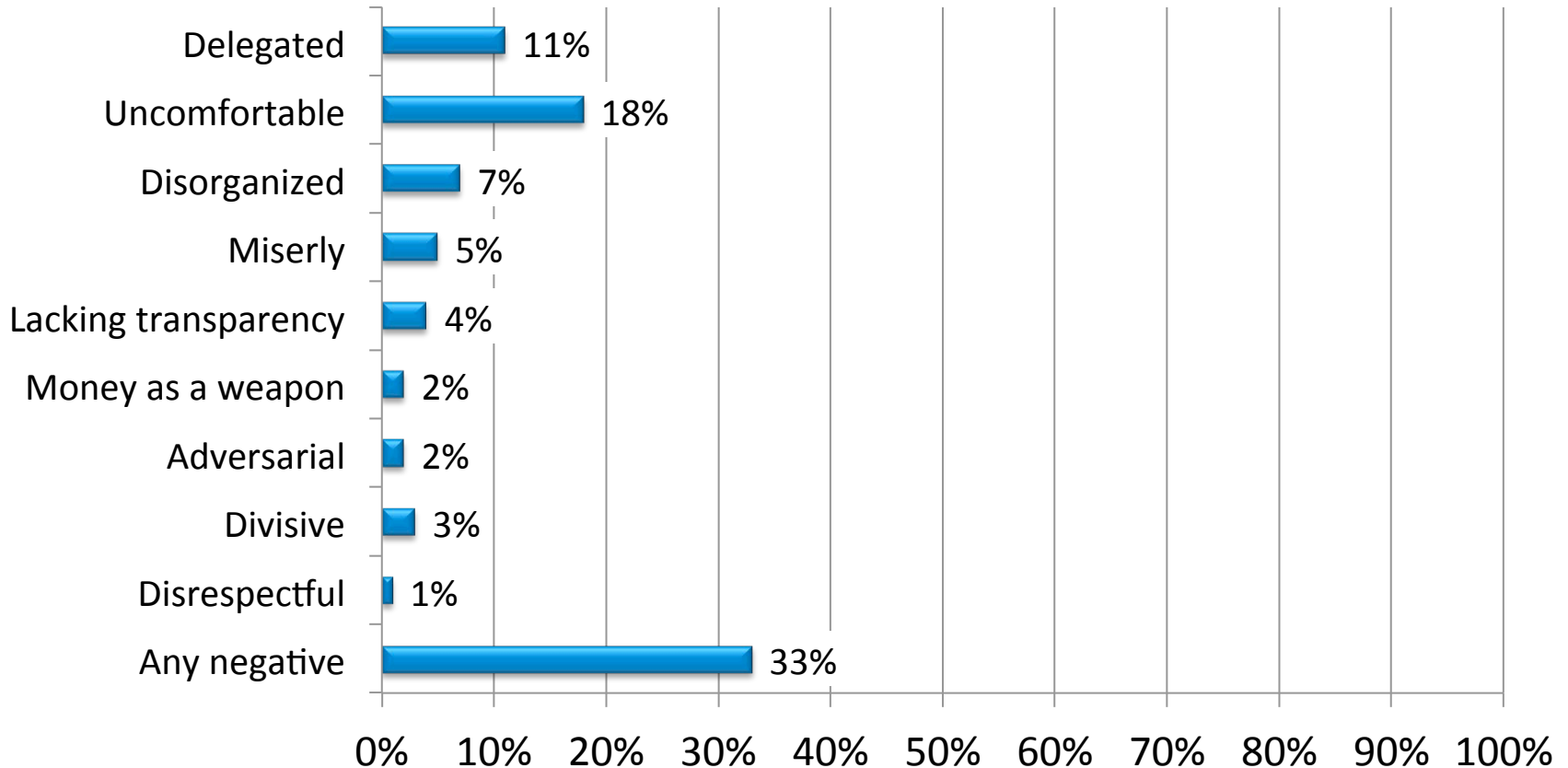
Positive Compensation Culture

The average proportion who used each positive description was considerably lower for pastors in smaller churches and churches that were on shaky ground financially, plus for those who were dissatisfied with their own compensation.



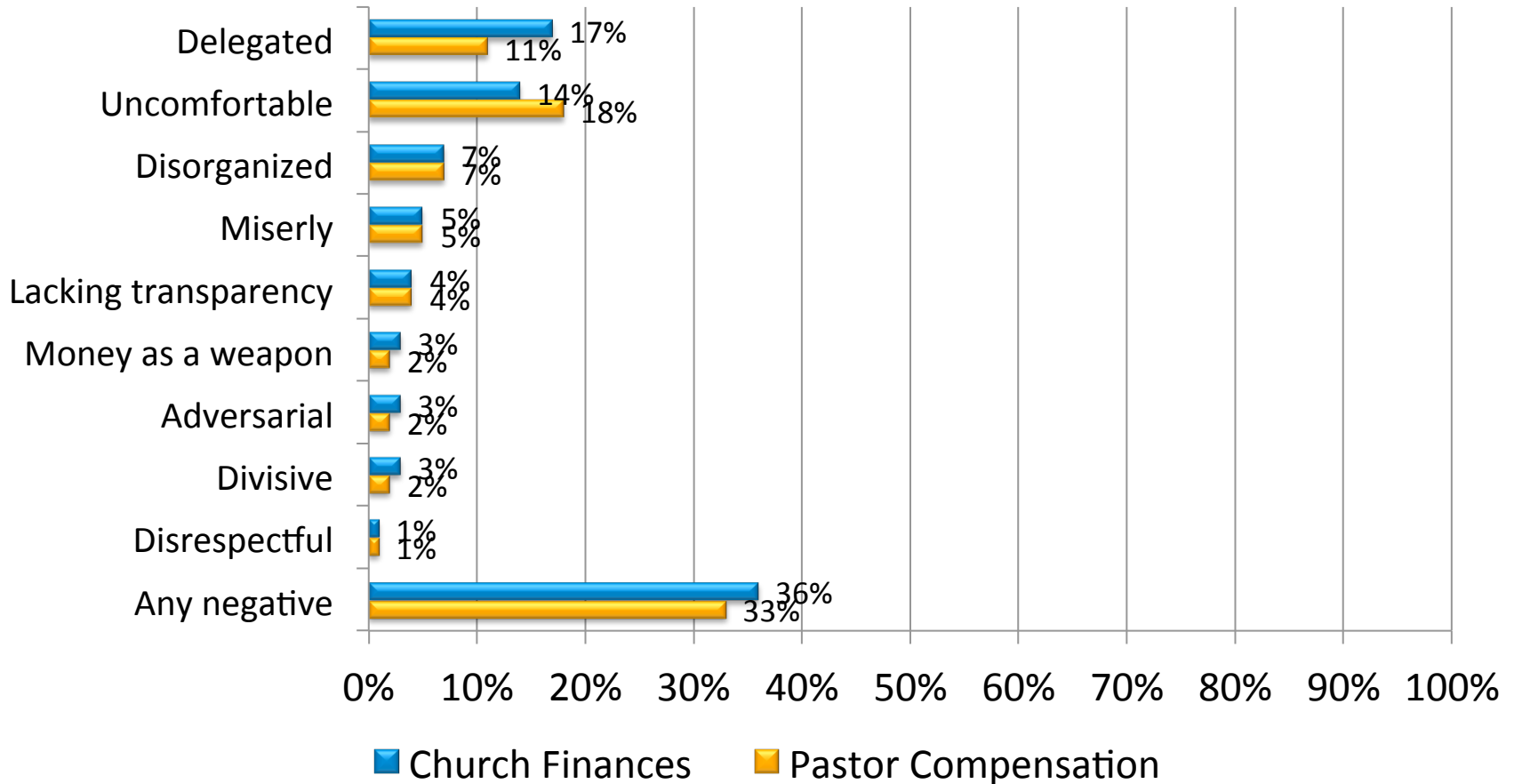
Negative Compensation Culture

Thirty-three percent used at least one negative term to describe their church's culture when it comes to discussing pastoral compensation, with the most common being "uncomfortable."



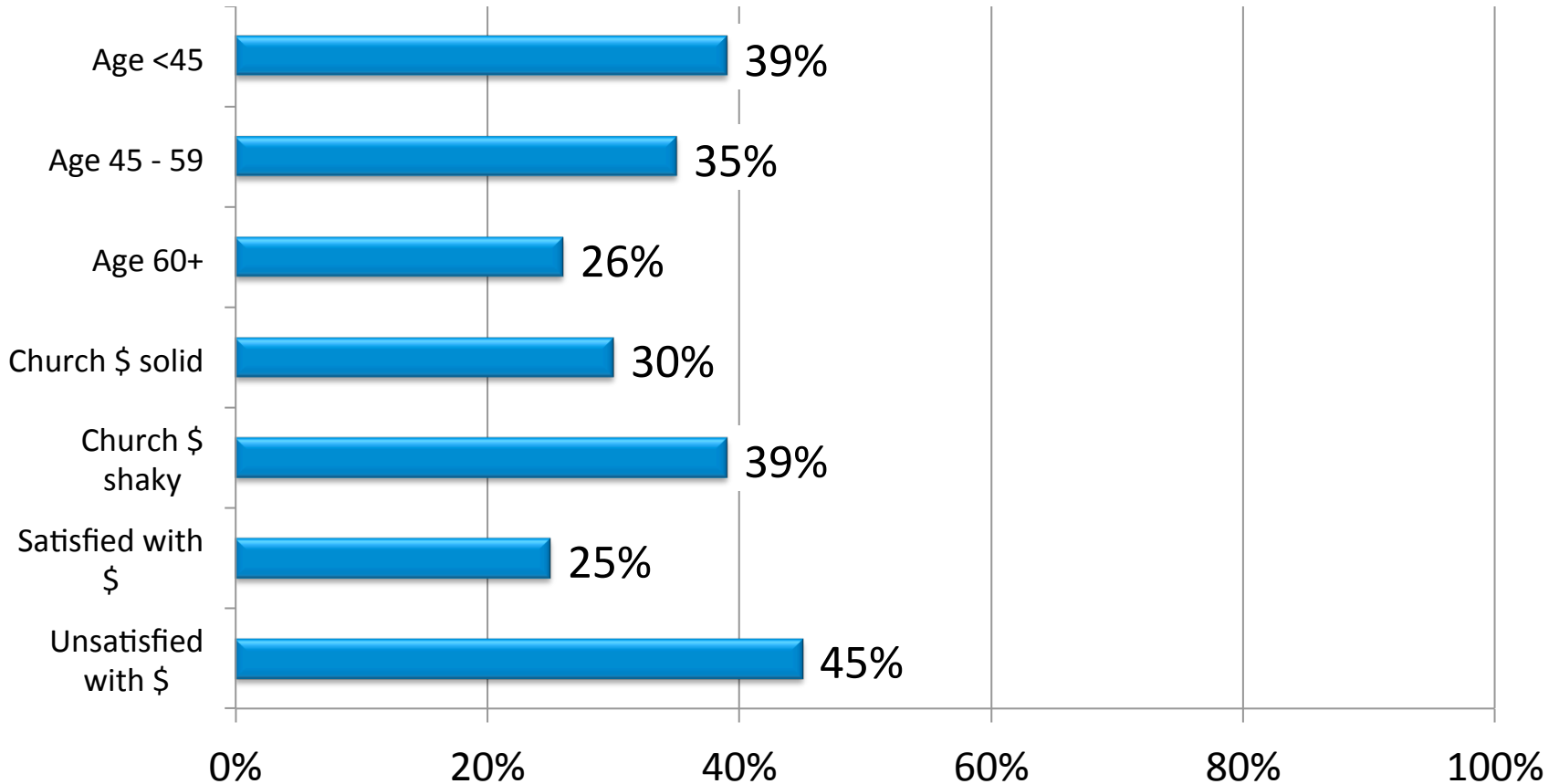
Similar Culture

The use of negative terms was very similar between describing the church's culture in discussing finances in general and discussing the pastor's compensation.



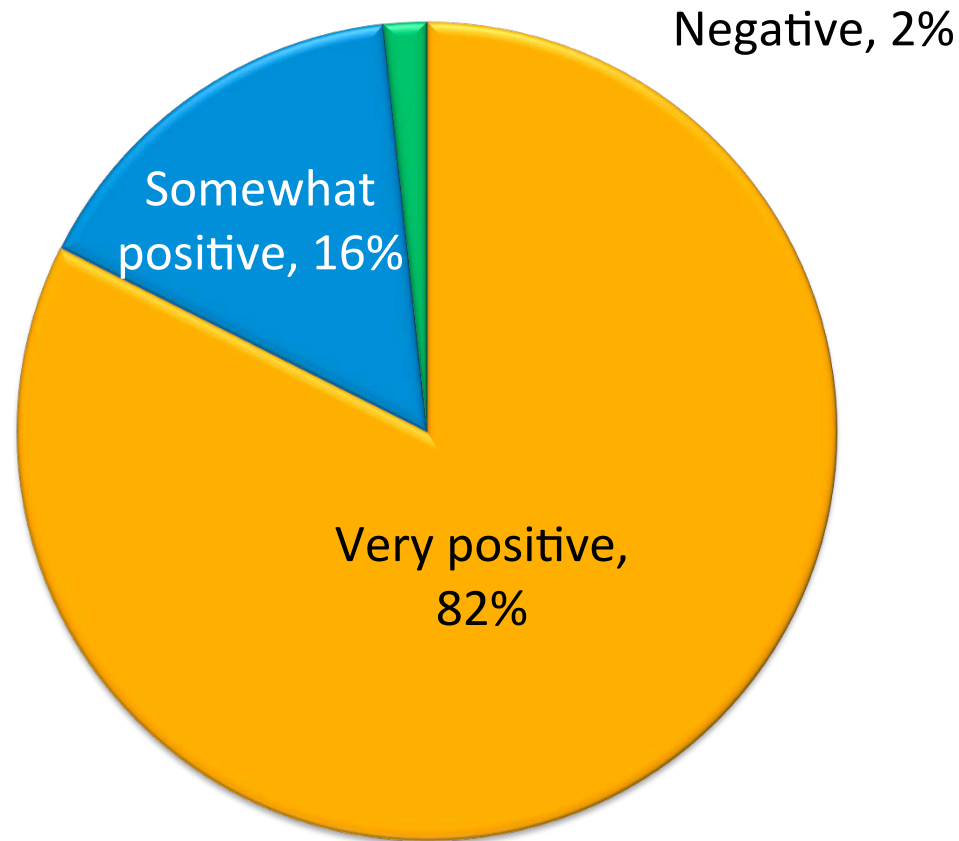
Negative Compensation Culture

The proportion who used at least one negative description was much higher among pastors under age 60, in churches that were on shaky ground financially, and especially among pastors who were not happy with their compensation package.



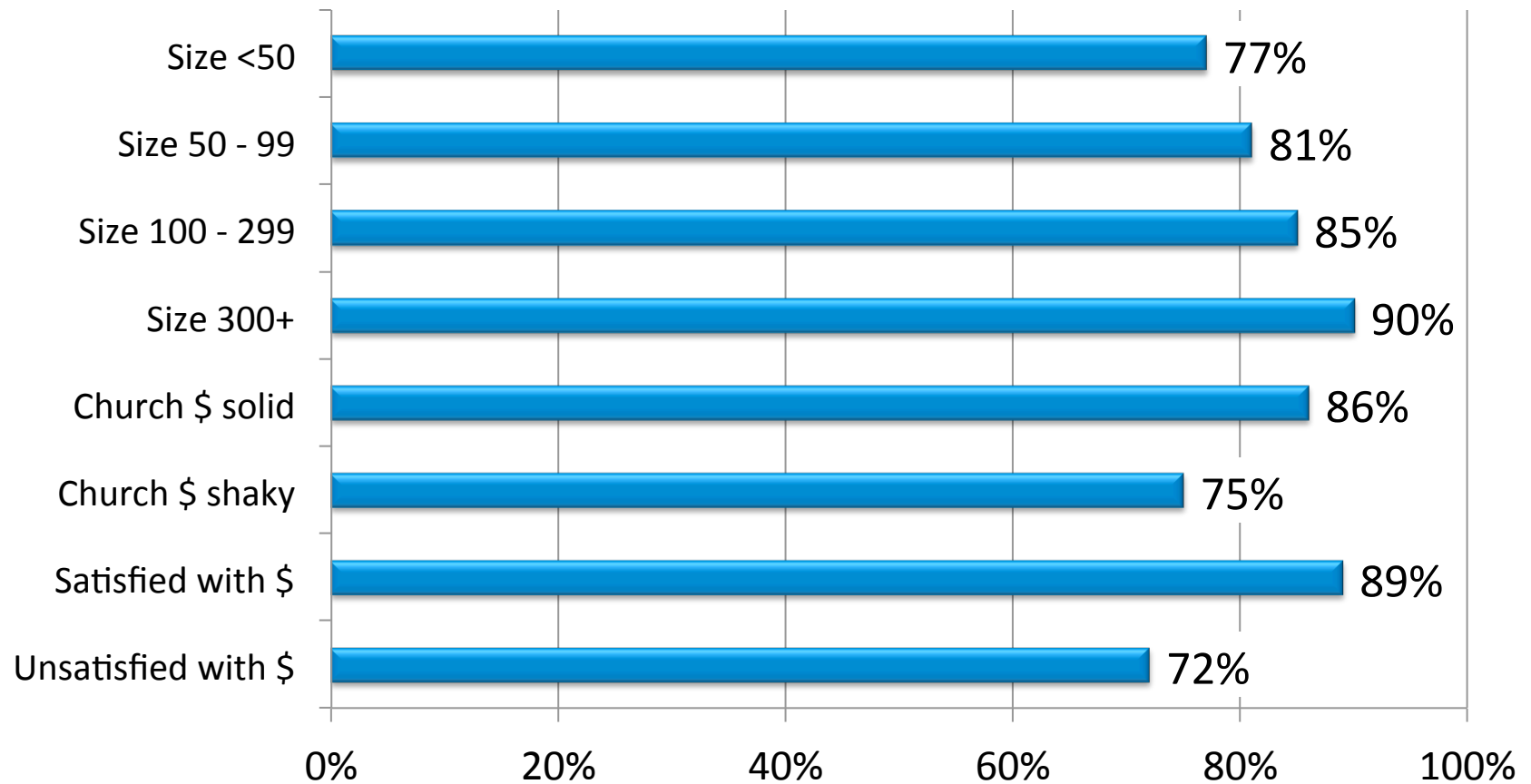
Relationships

Only 2% of pastors reported a very or somewhat negative relationship with the people in the church who determine the pastor's compensation, and 82% called the relationship very positive.



Relationships

Even among pastors who were dissatisfied with their compensation or who were leading a church with shaky finances, a clear majority reported positive relationships with the people who determine their compensation.

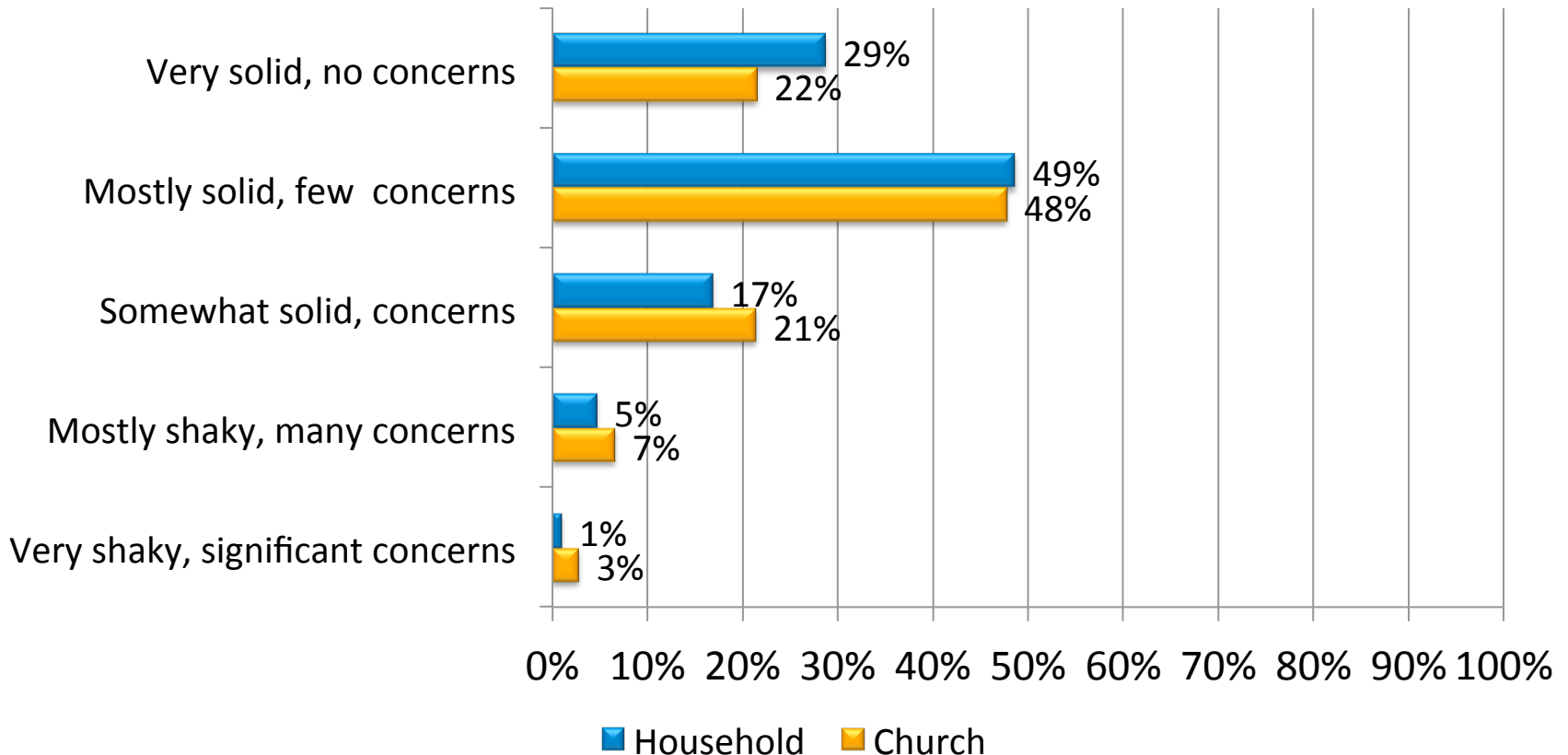




Status of the Household Finances

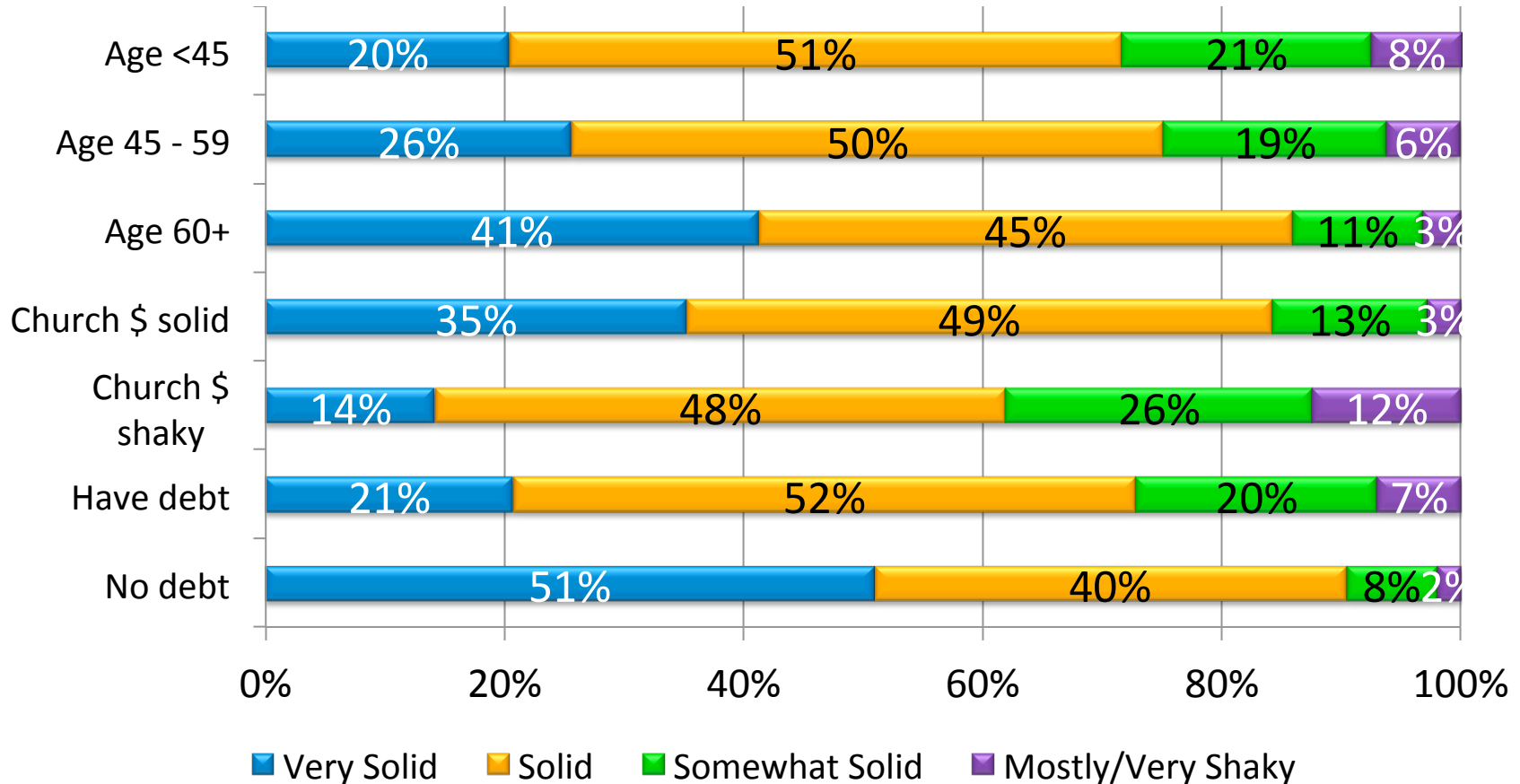
Household Financial Situation

Pastors described their own household's financial situation very similarly to how they saw their church's financial situation.



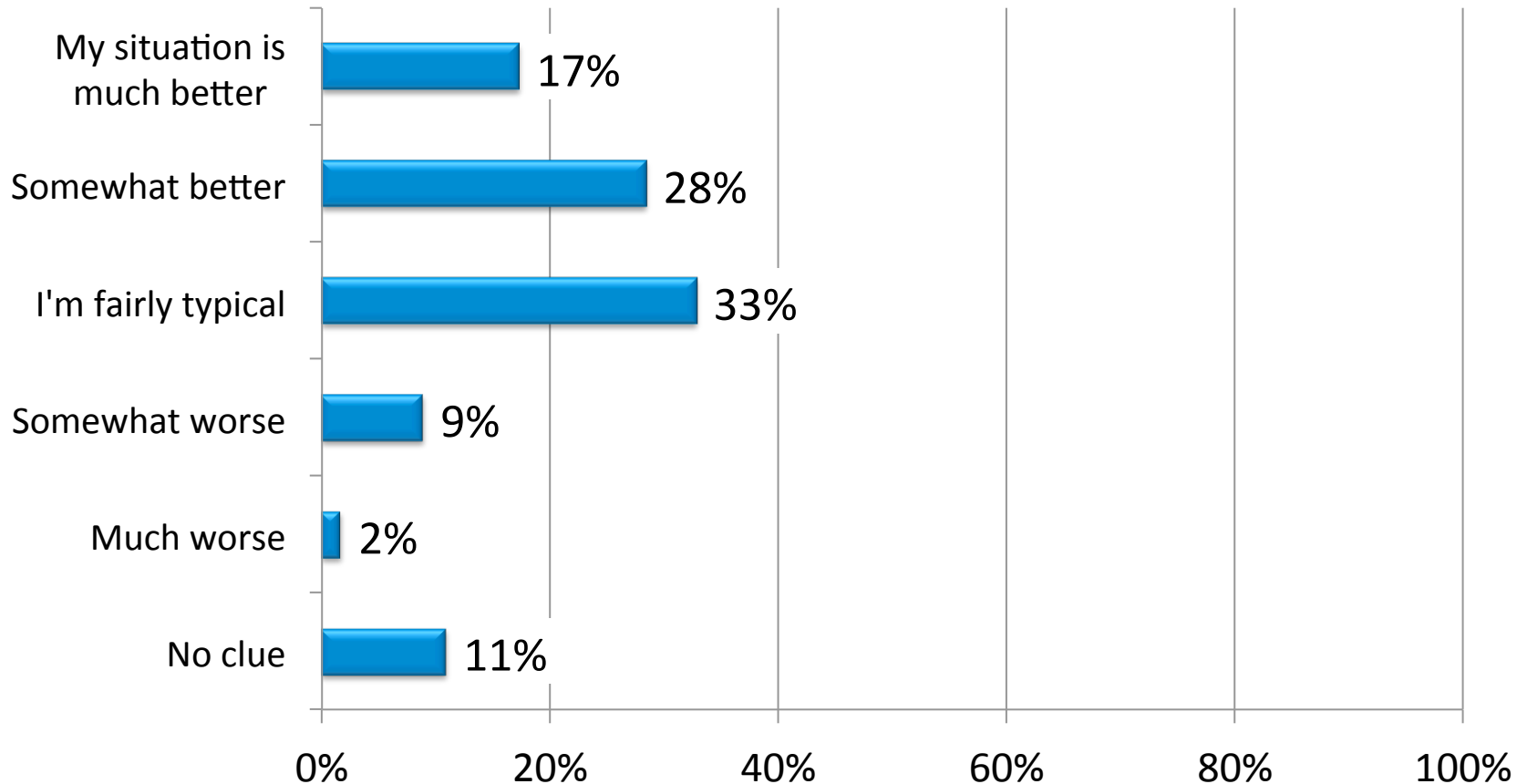
Household Financial Situation

Feeling shaky about household finances was more common among pastors under age 60, and was strongly correlated with the presence of household debt and being in a church that has shaky finances.



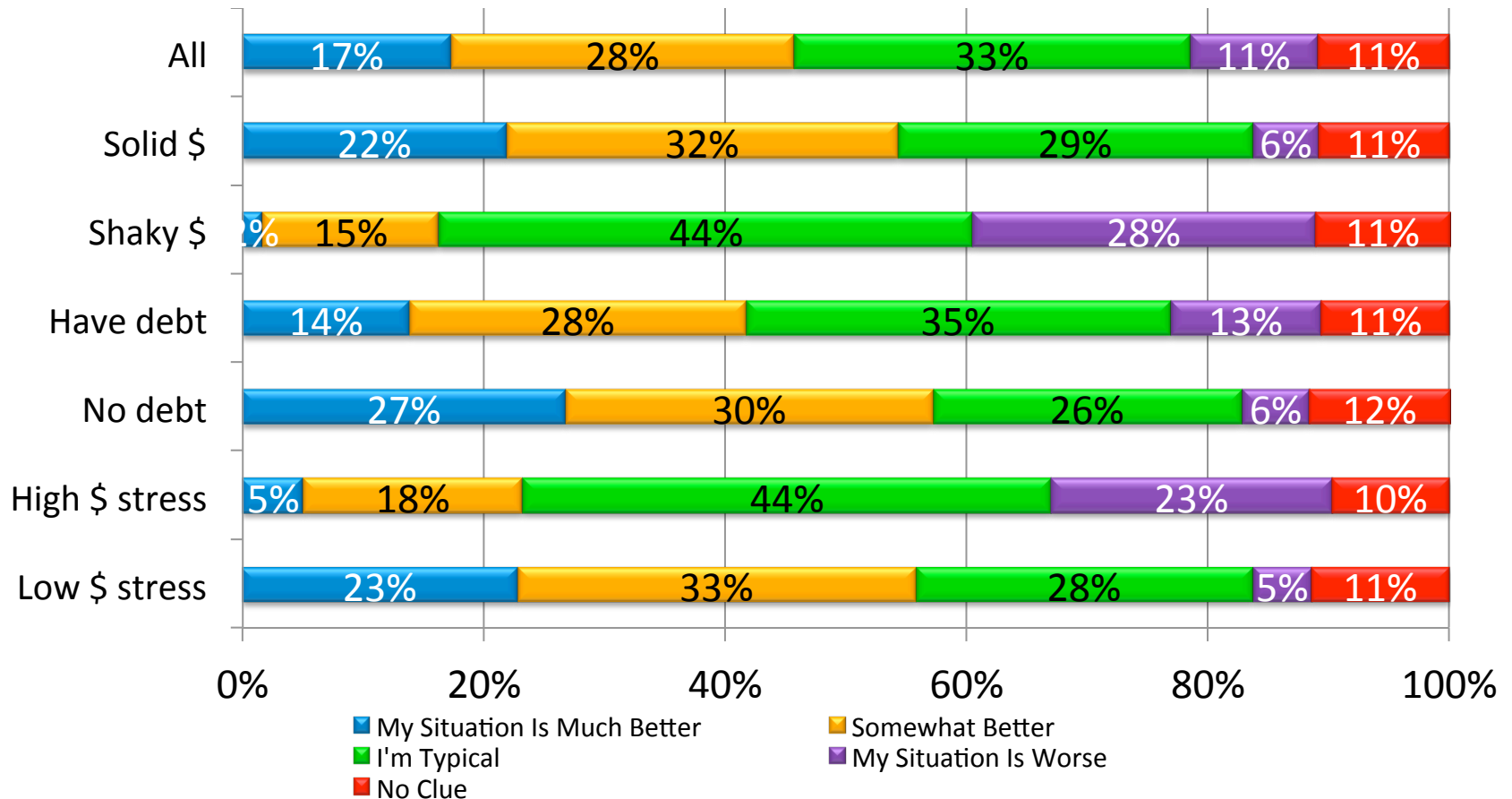
Comparisons with Other Pastors

Only one-third of pastors felt their financial situation is fairly typical. Almost half said they are better off than other pastors. Obviously, many of them simply cannot be right – some pastors appear to have optimism that is unwarranted.



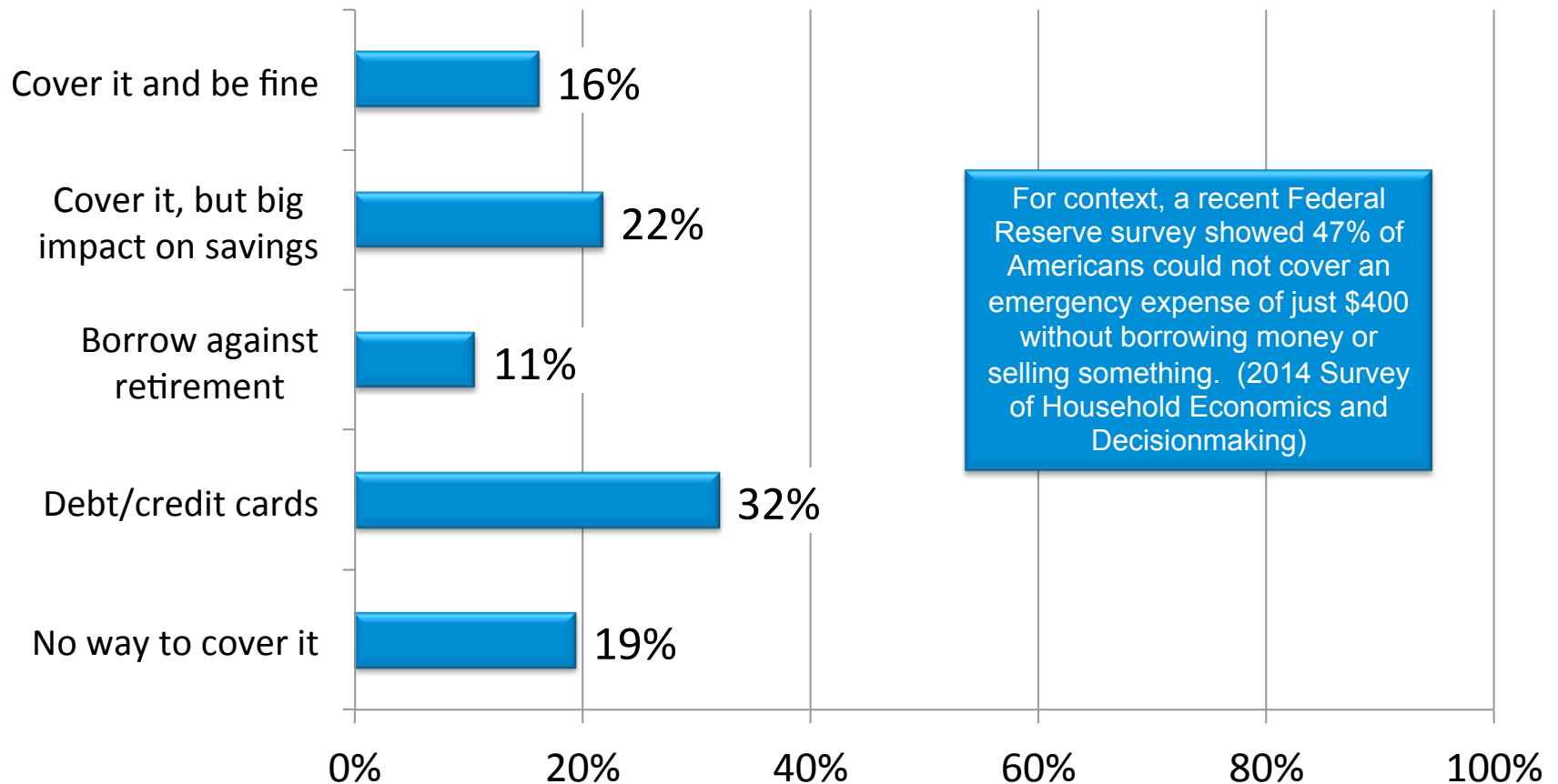
Comparisons with Other Pastors

Even among pastors carrying debt, in shaky financial situations, and with high financial stress, many refused to believe they're in a worse-than-typical financial situation.



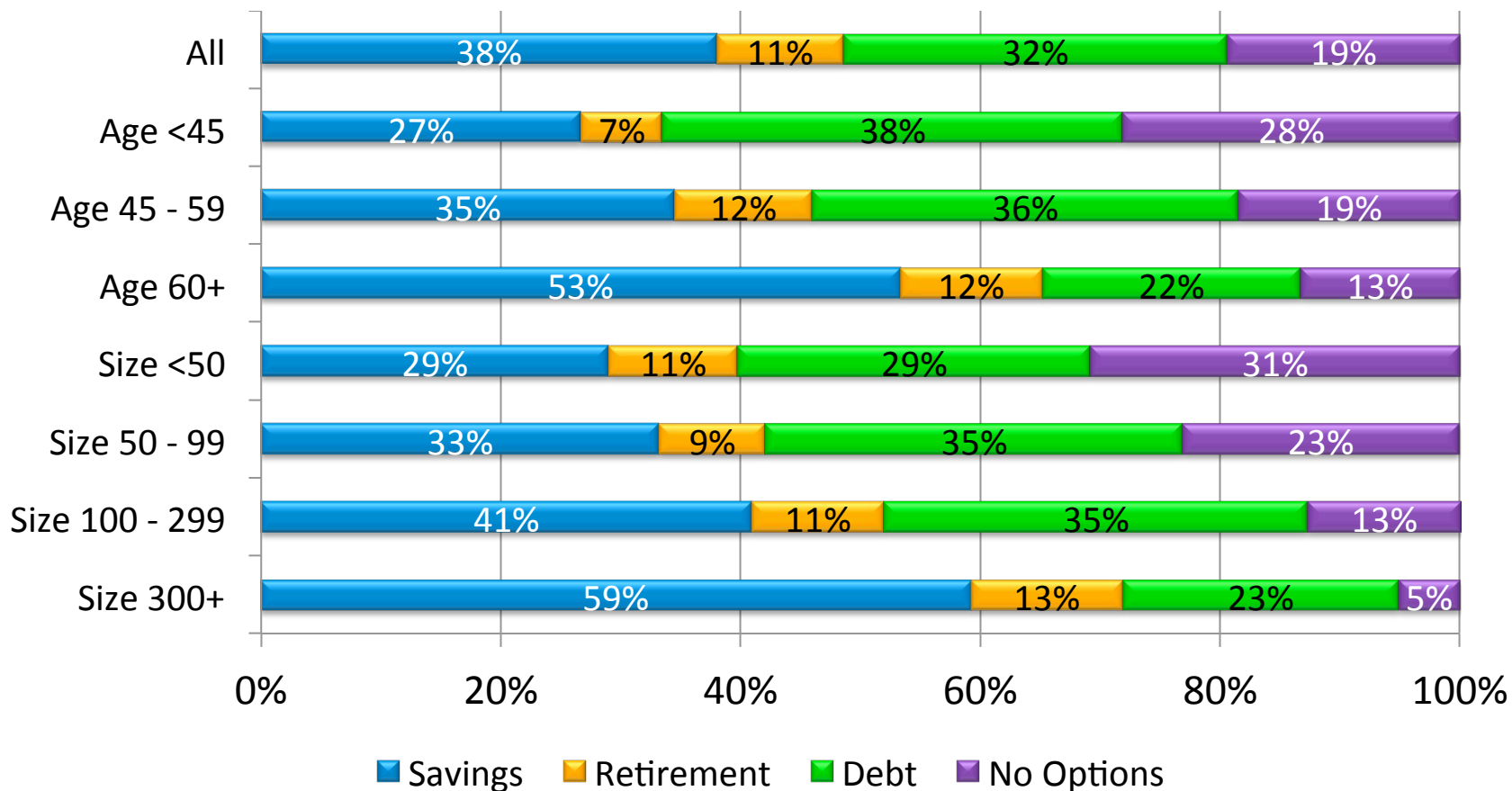
Lack of Savings

Very few pastors could cover an unexpected \$10,000 expense and be fine. Under four out of ten could cover this at all out of personal savings. Two out of ten had no options – not even debt – for covering this type of expense.



Lack of Savings

The youngest pastors and pastors in the smallest churches were the ones least likely to have any options for covering an unexpected \$10,000 expense.

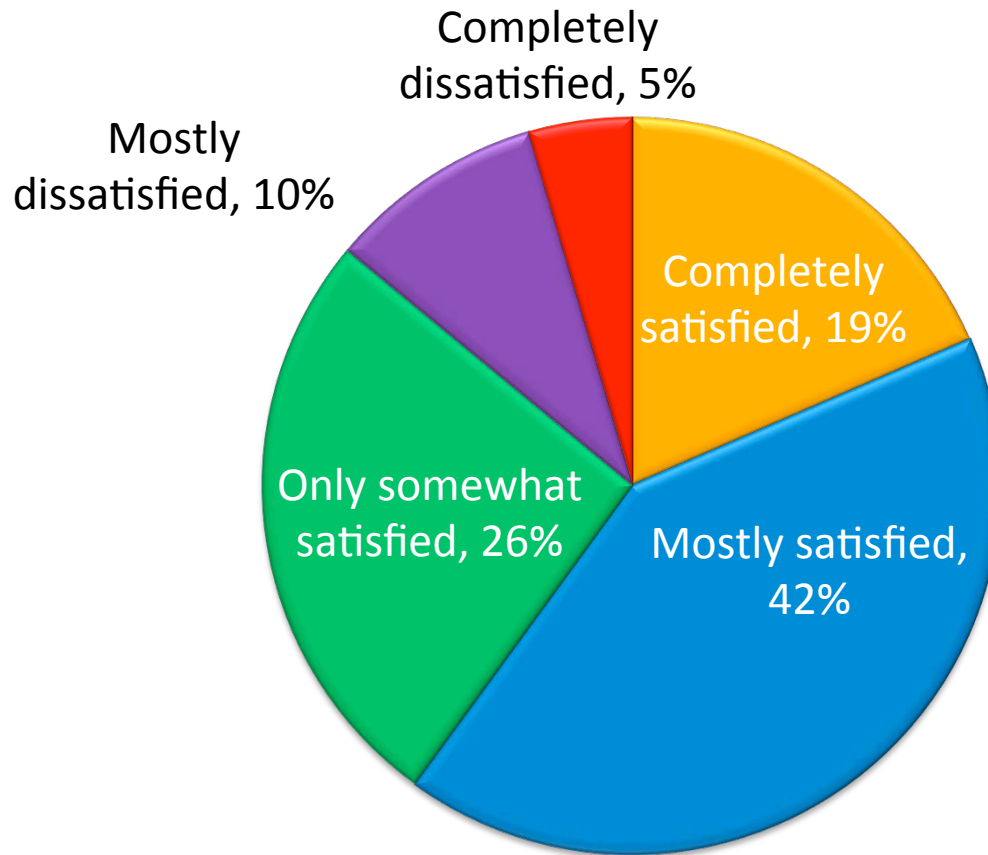




Compensation Packages

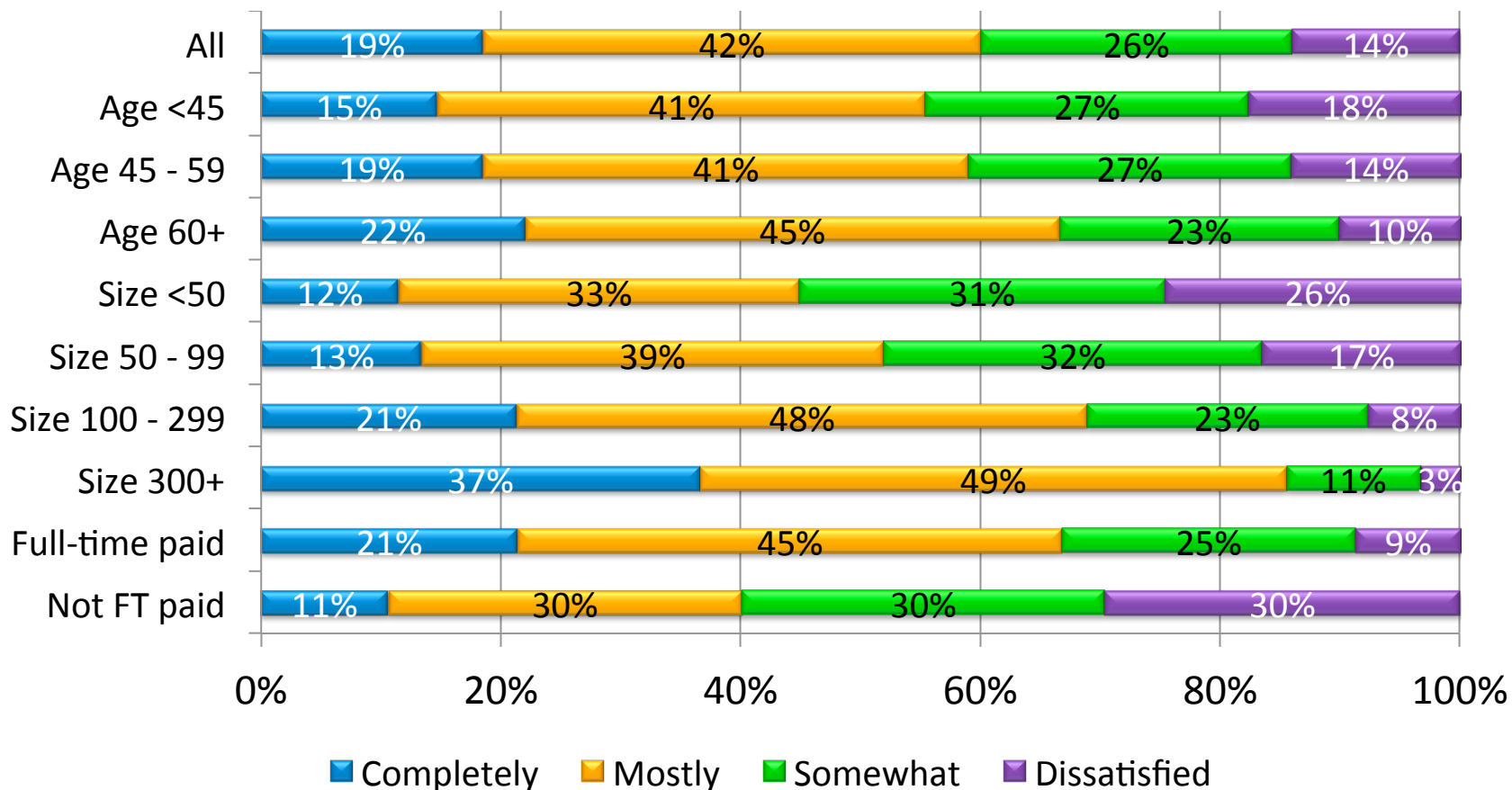
Satisfaction with Compensation

Only 19% of all pastors were completely satisfied with their compensation, although another 42% were mostly satisfied. Fifteen percent expressed dissatisfaction.



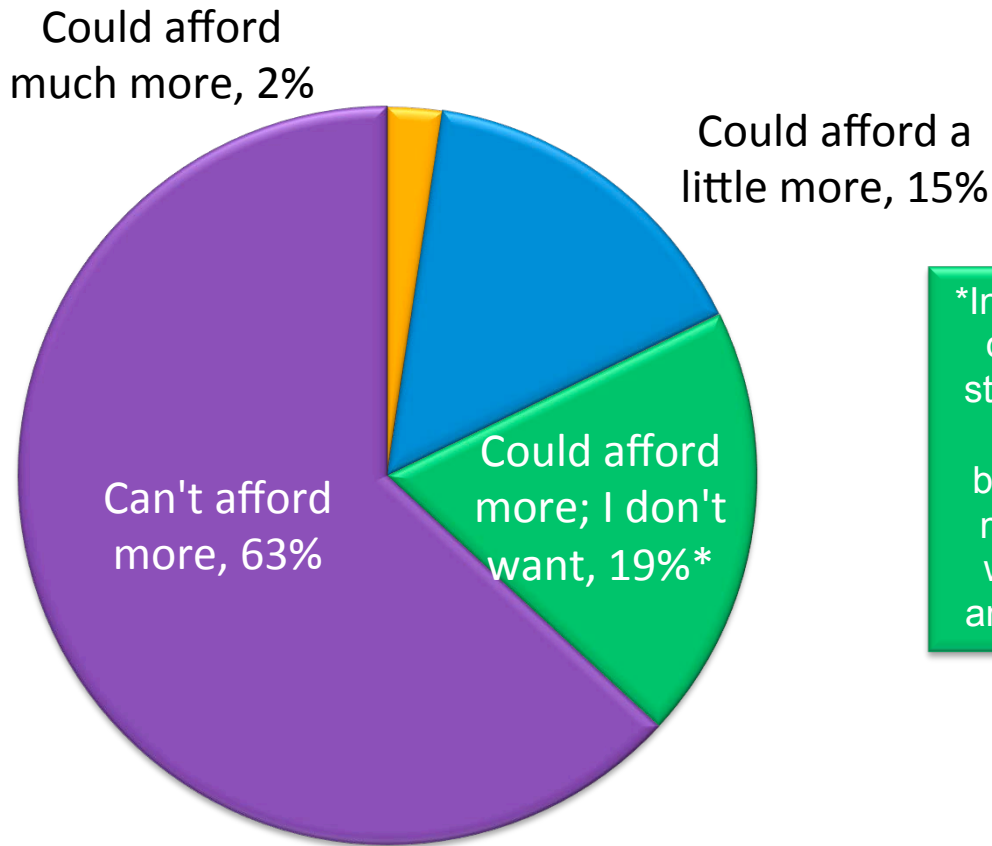
Satisfaction with Compensation

Satisfaction was clearly lowest among pastors under age 60, those in smaller churches, and those who were not full-time paid staff.



Could Churches Do Better?

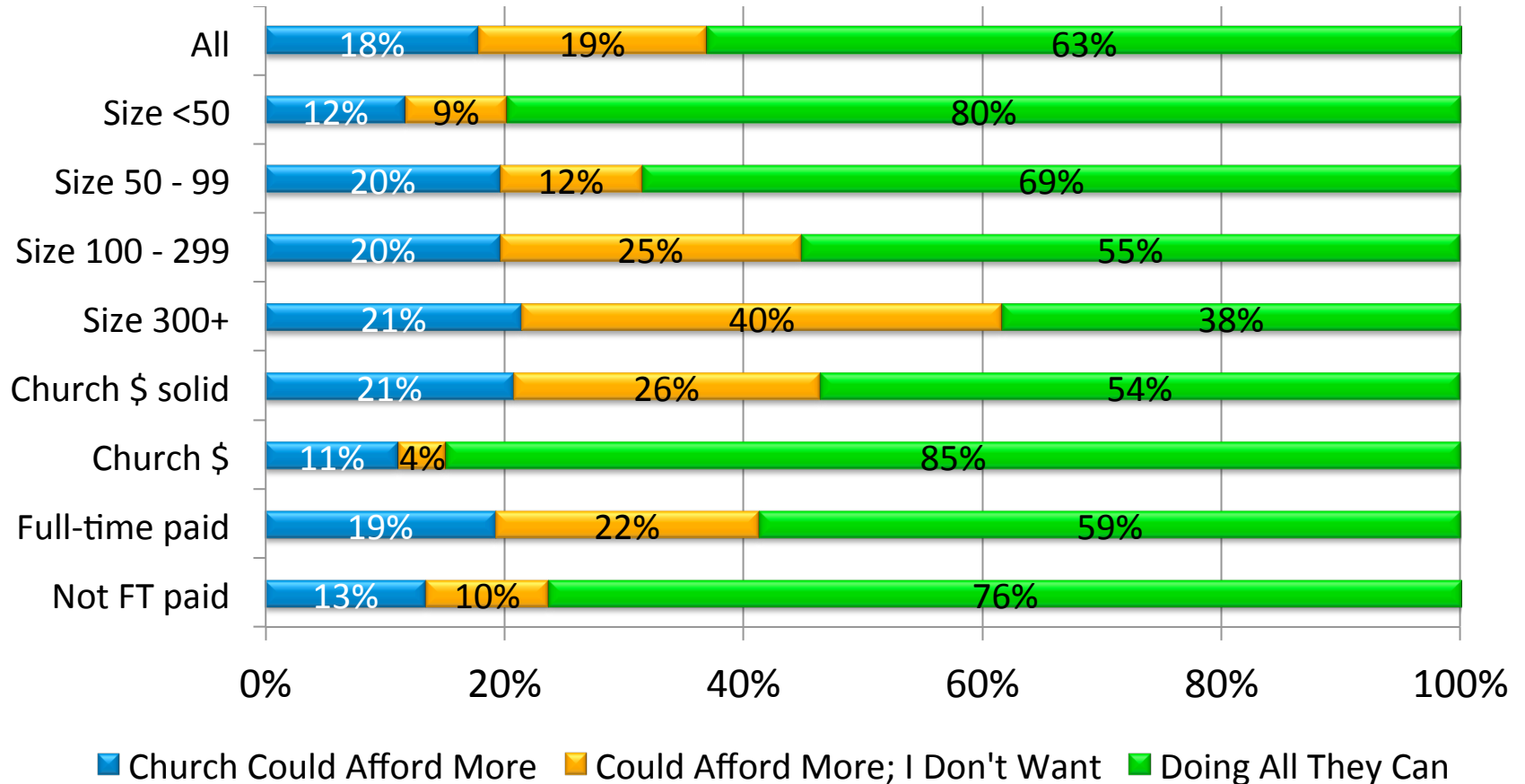
Although most pastors were not fully satisfied with their compensation, only 17% felt their church could afford better compensation (although another 19% said their church could afford more but they don't want more).



*In the in-depth interviews conducted prior to this study, a few pastors said they refused raises because they wanted to make sure their church was financially healthy and had greater stability.

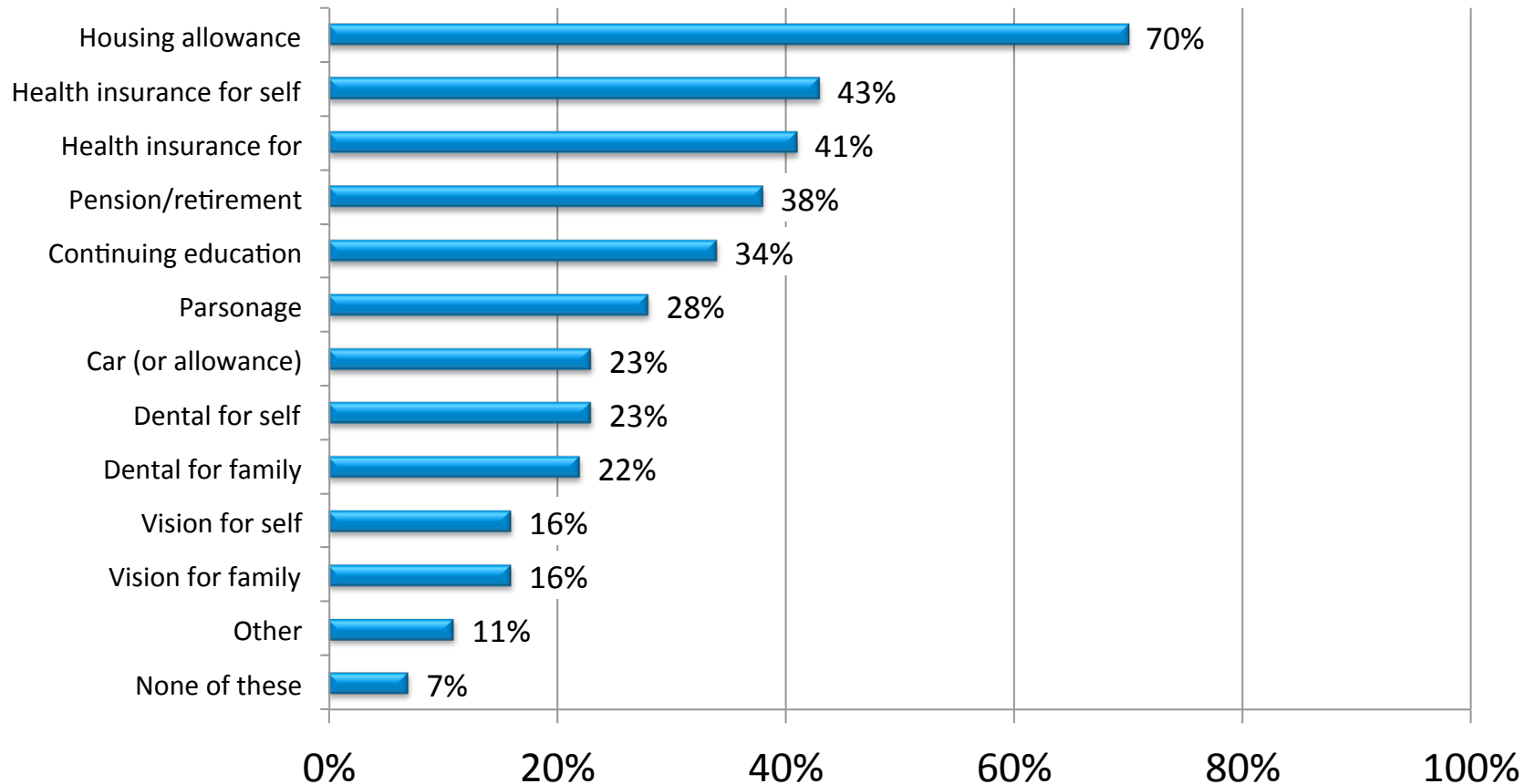
Could Churches Do Better?

The larger the church, the more likely pastors were to say their church could pay them more (but also to say they didn't want it). Most who weren't full-time staff realized their church can't afford more than what it's doing.



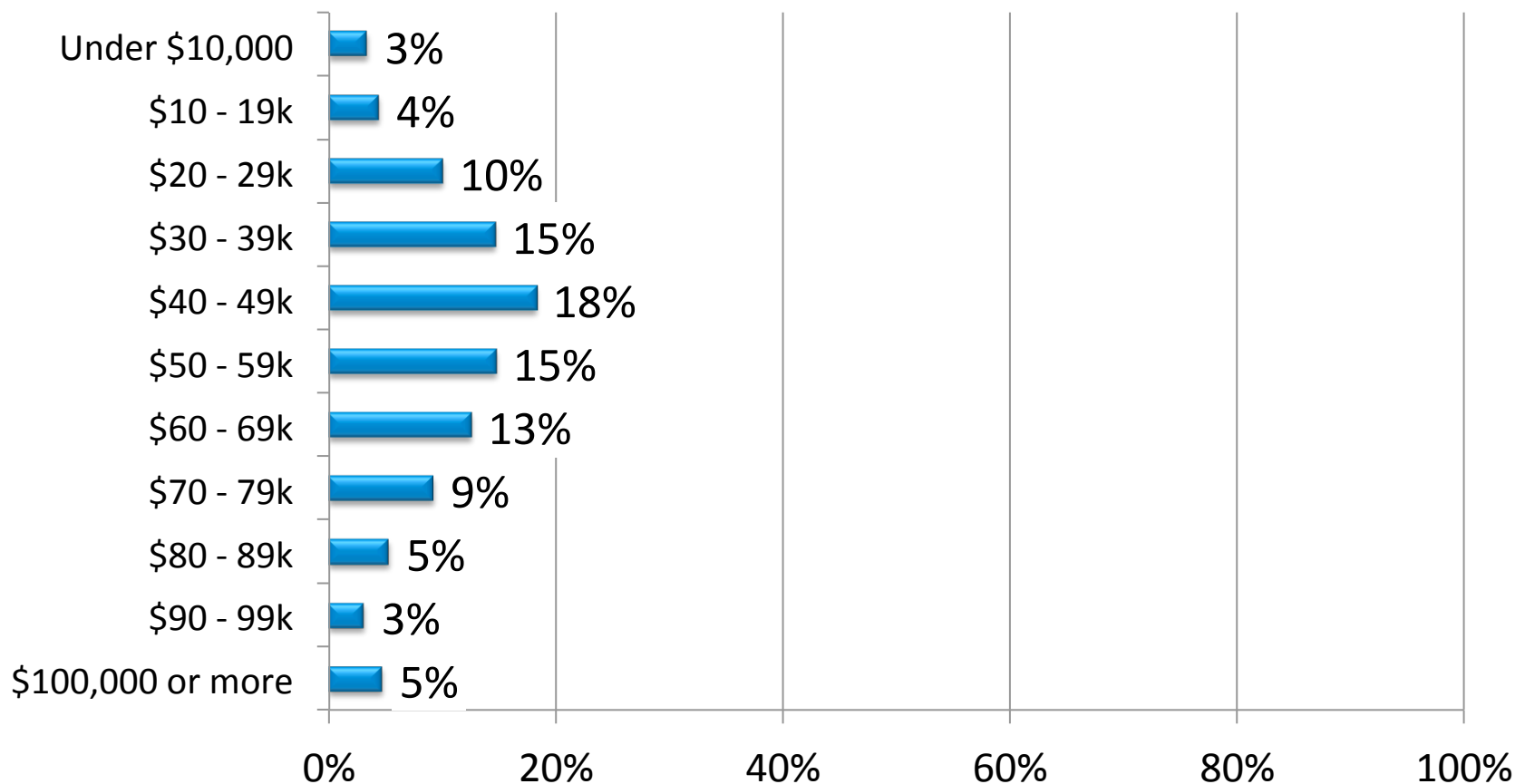
Additional Benefits

Almost all pastors got benefits of some type, with the most common being a housing allowance. Only about four out of ten got health insurance and/or a retirement plan, match, or pension. Almost all benefits were far less common in smaller churches.



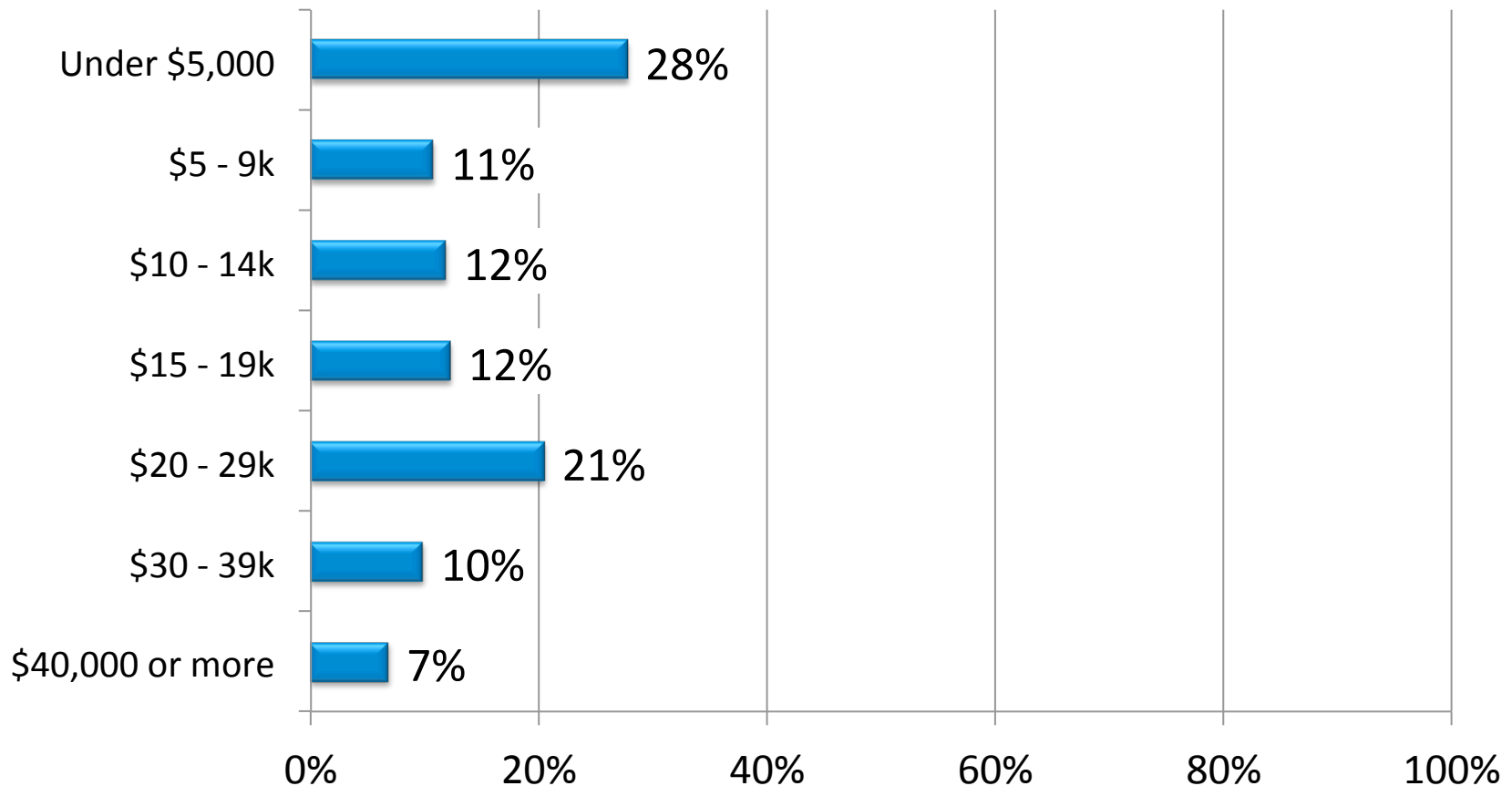
Salaries/Housing for Full-time Paid Staff

The average combined salary and housing allowance for a full-time paid senior pastor was \$52,266, with a median of \$49,500.



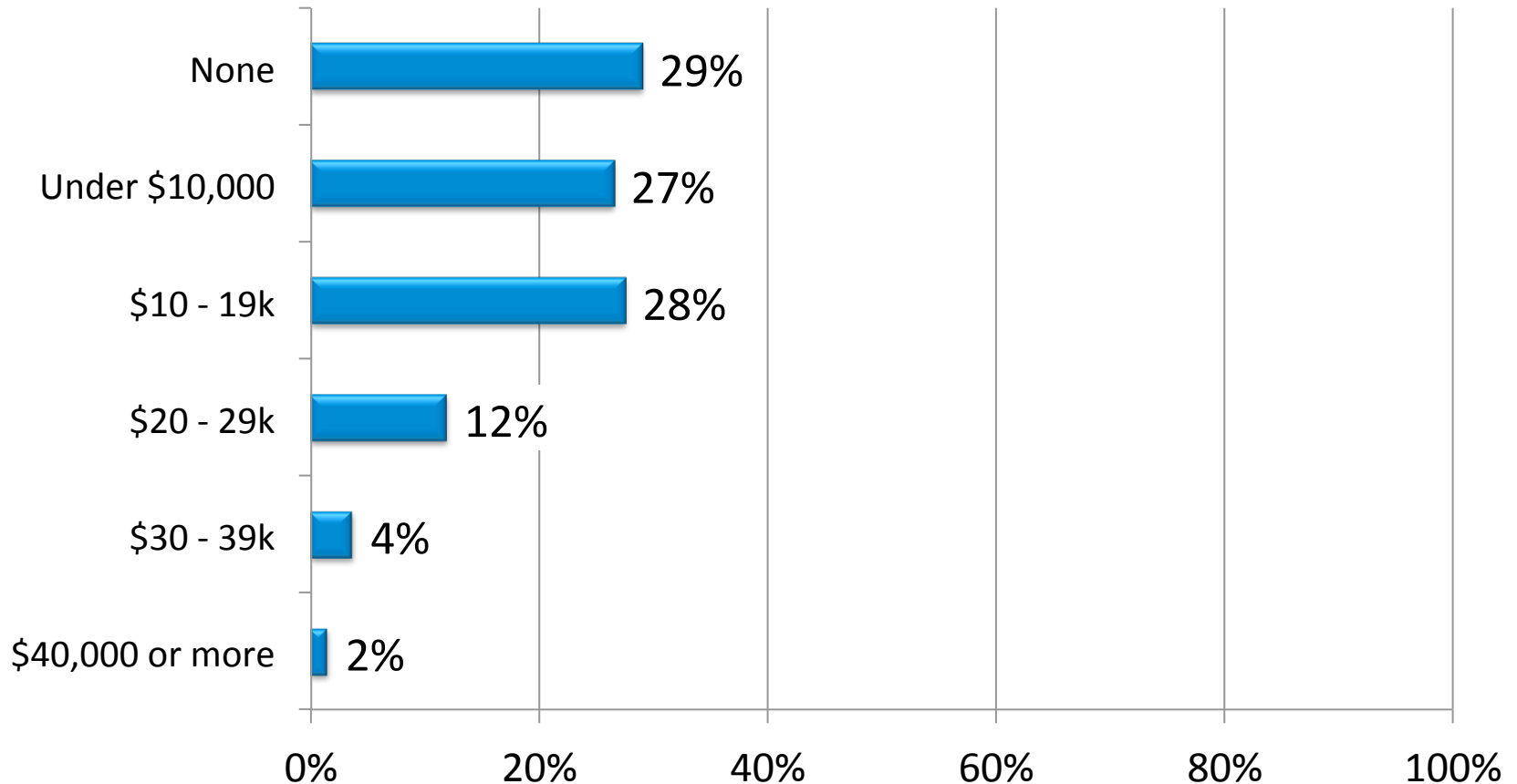
Salaries/Housing for Non-full-time Staff

More than a quarter of all non-full-time pastors were making under \$5,000 in combined salary and housing allowance from their church. The average was \$16,330, with a median of just \$14,400.



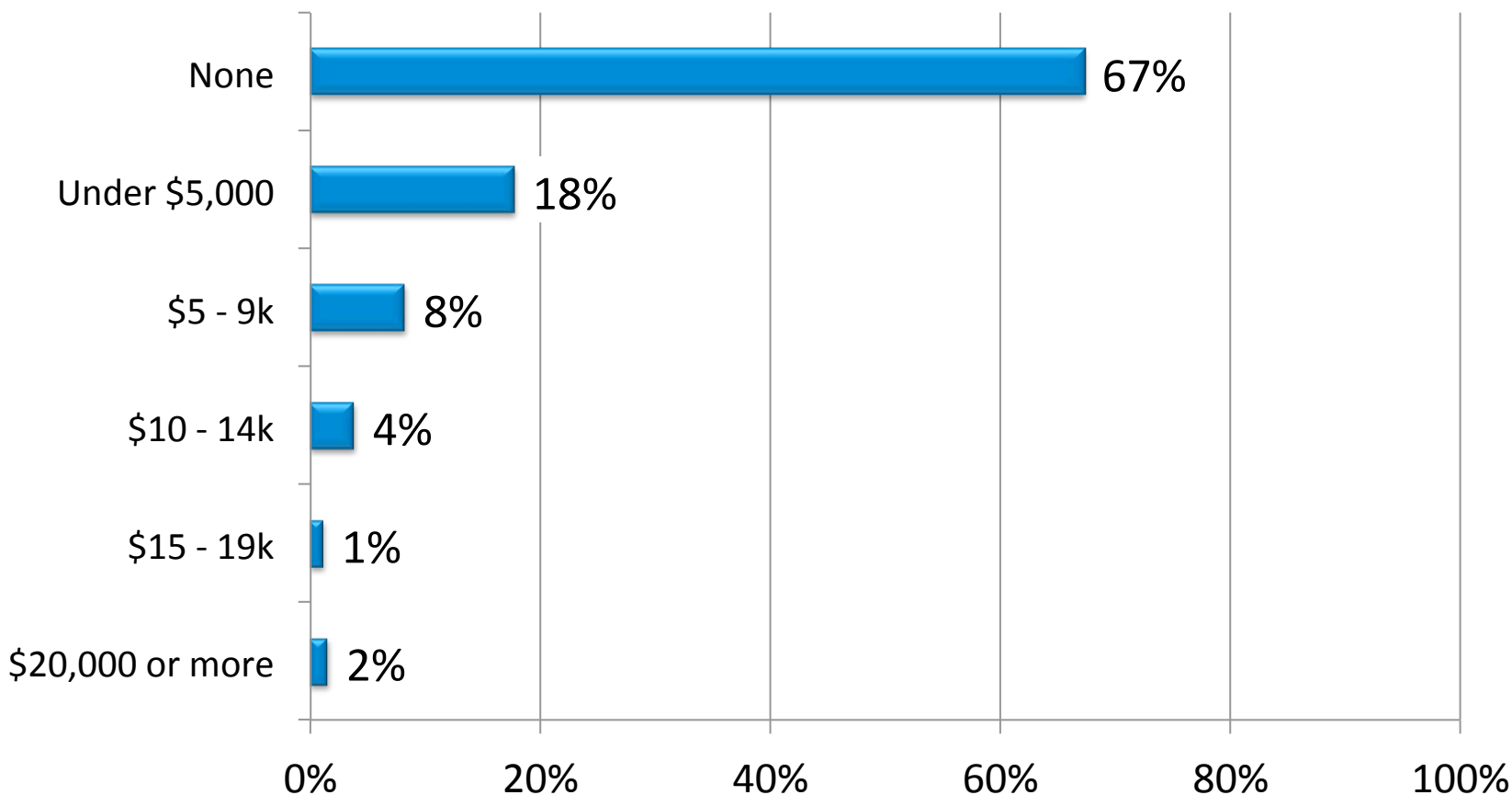
Other Benefits for Full-time Paid Staff

Seven out of ten full-time pastors got some type of compensation beyond housing and/or salary. The average value was \$9,861, with a median of \$7,500.



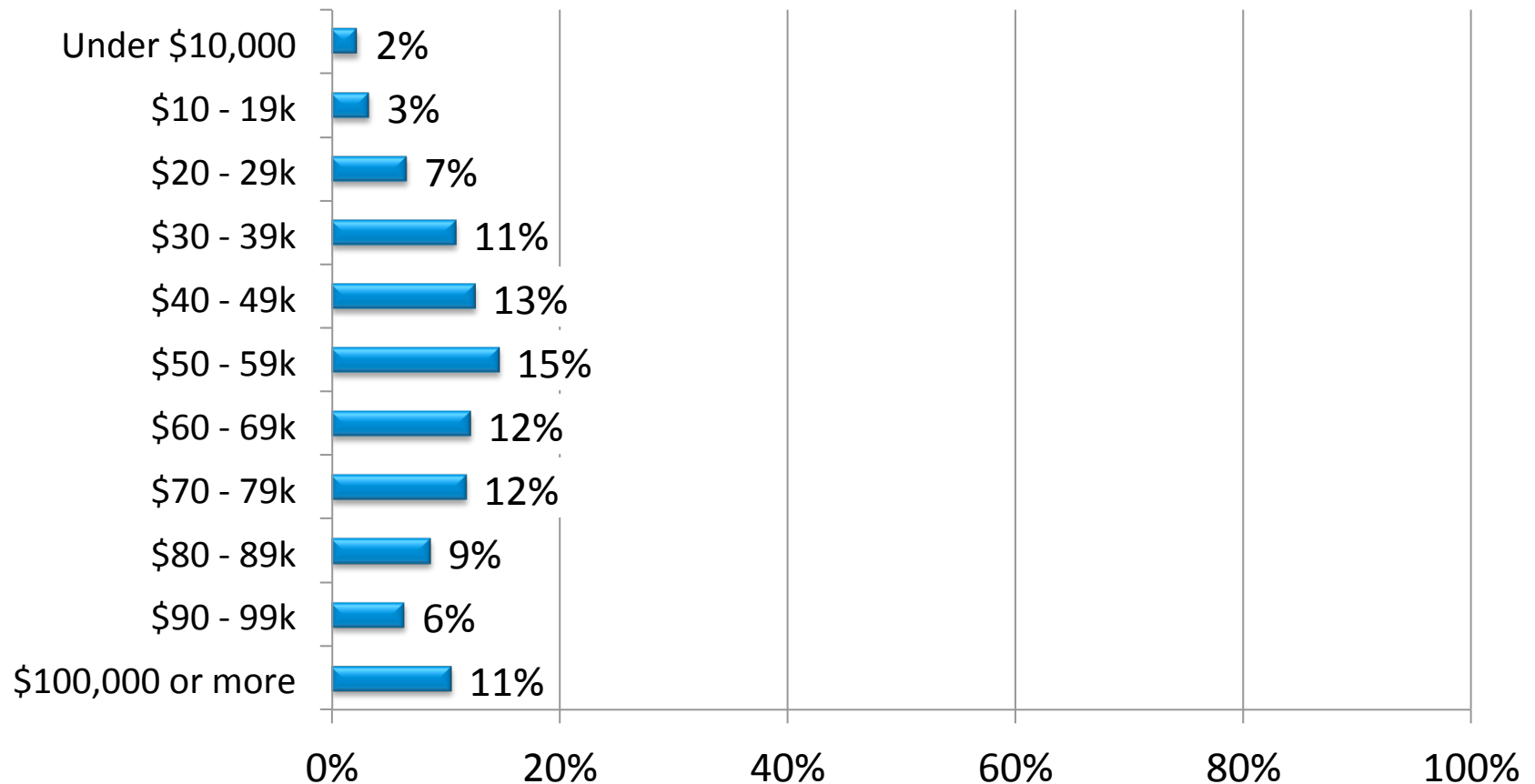
Other Benefits for Non-full-time Staff

Among pastors who didn't have a full-time paid position, two-thirds received no benefits beyond salary and/or housing (if they received those). The average value of all other benefits was \$2,035.



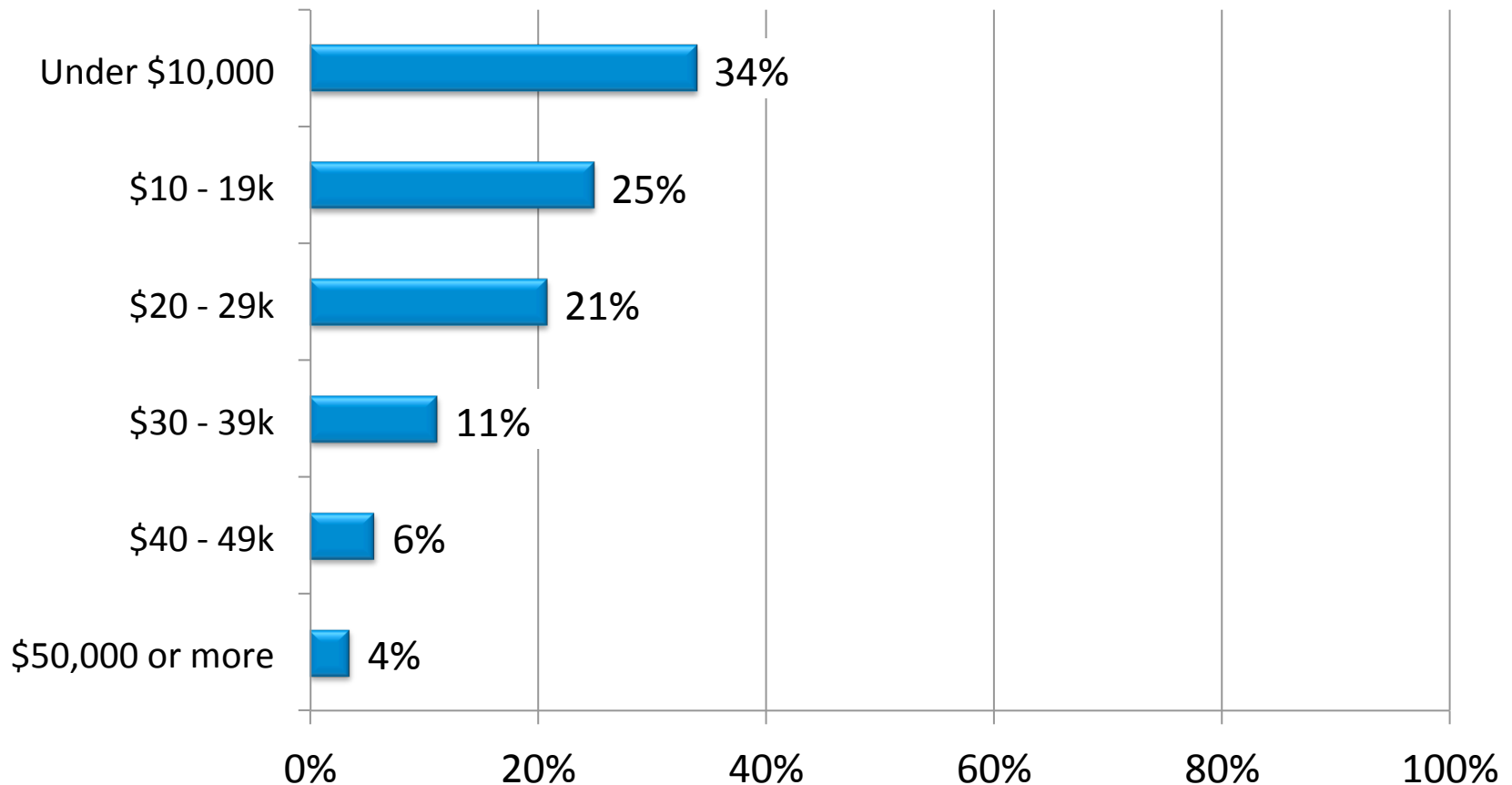
Total Package for Full-time Paid Staff

The average total compensation for a full-time paid senior pastor was \$62,145, with a median of \$59,000. Twelve percent were making under \$30,000 in total compensation, even as a full-time job.



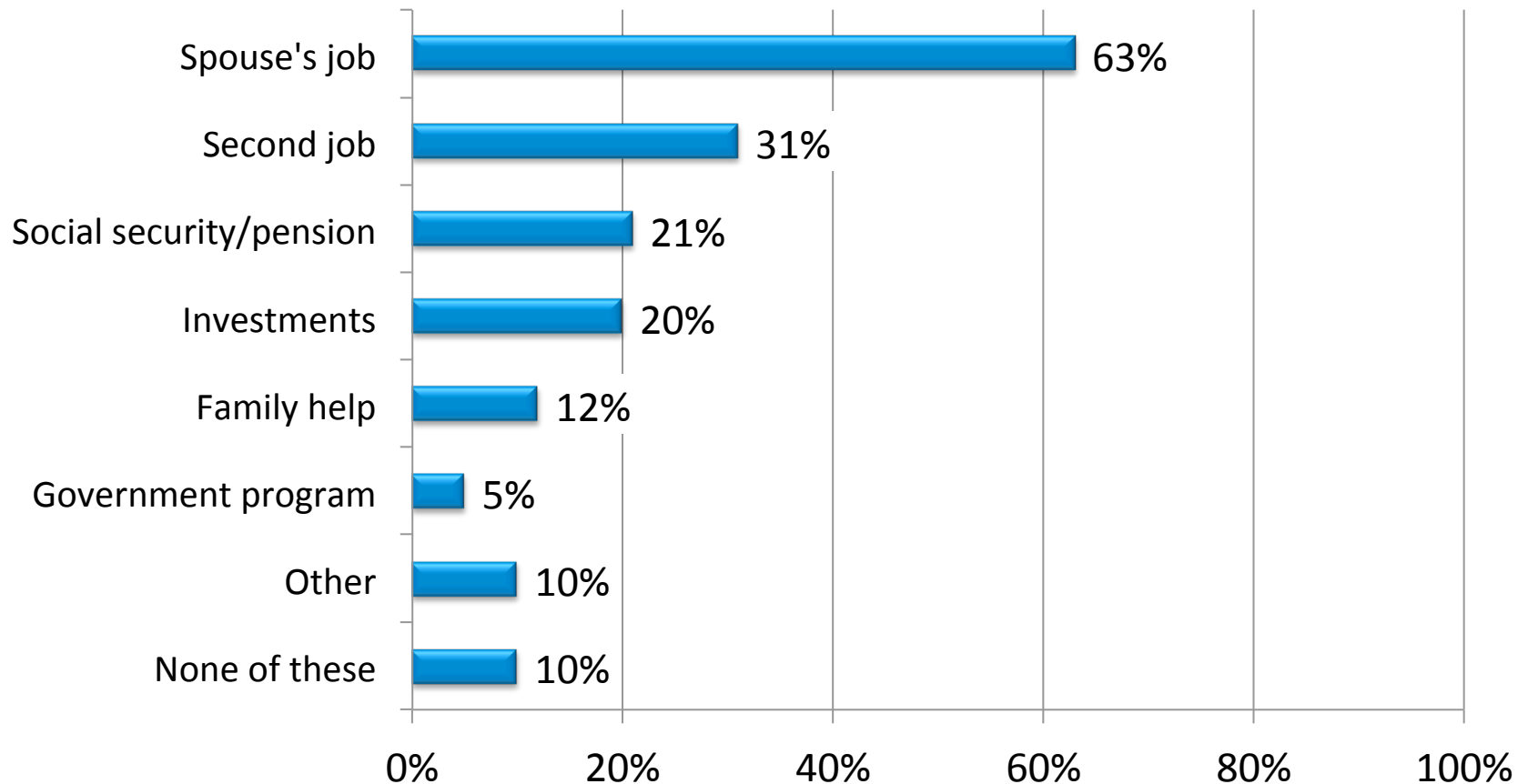
Total Package for Non-full-time Staff

The average total compensations for pastors who were not full-time paid staff was \$18,277, with a median of \$15,600. Fifteen percent received not a penny of any type of compensation.



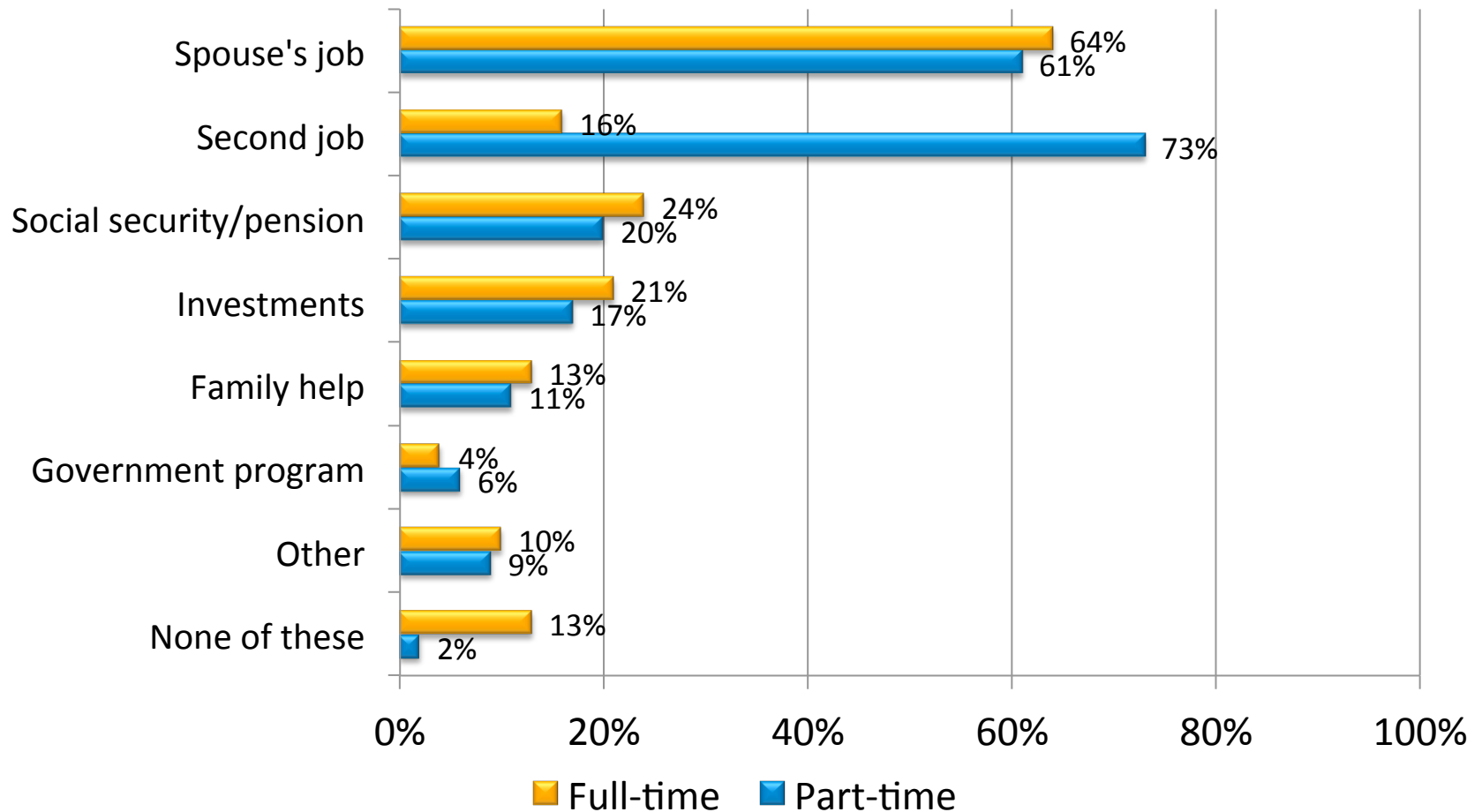
Other Income Sources

Nine out of ten pastors (both full-time and part-time) had income from other sources, especially a spouse's job.



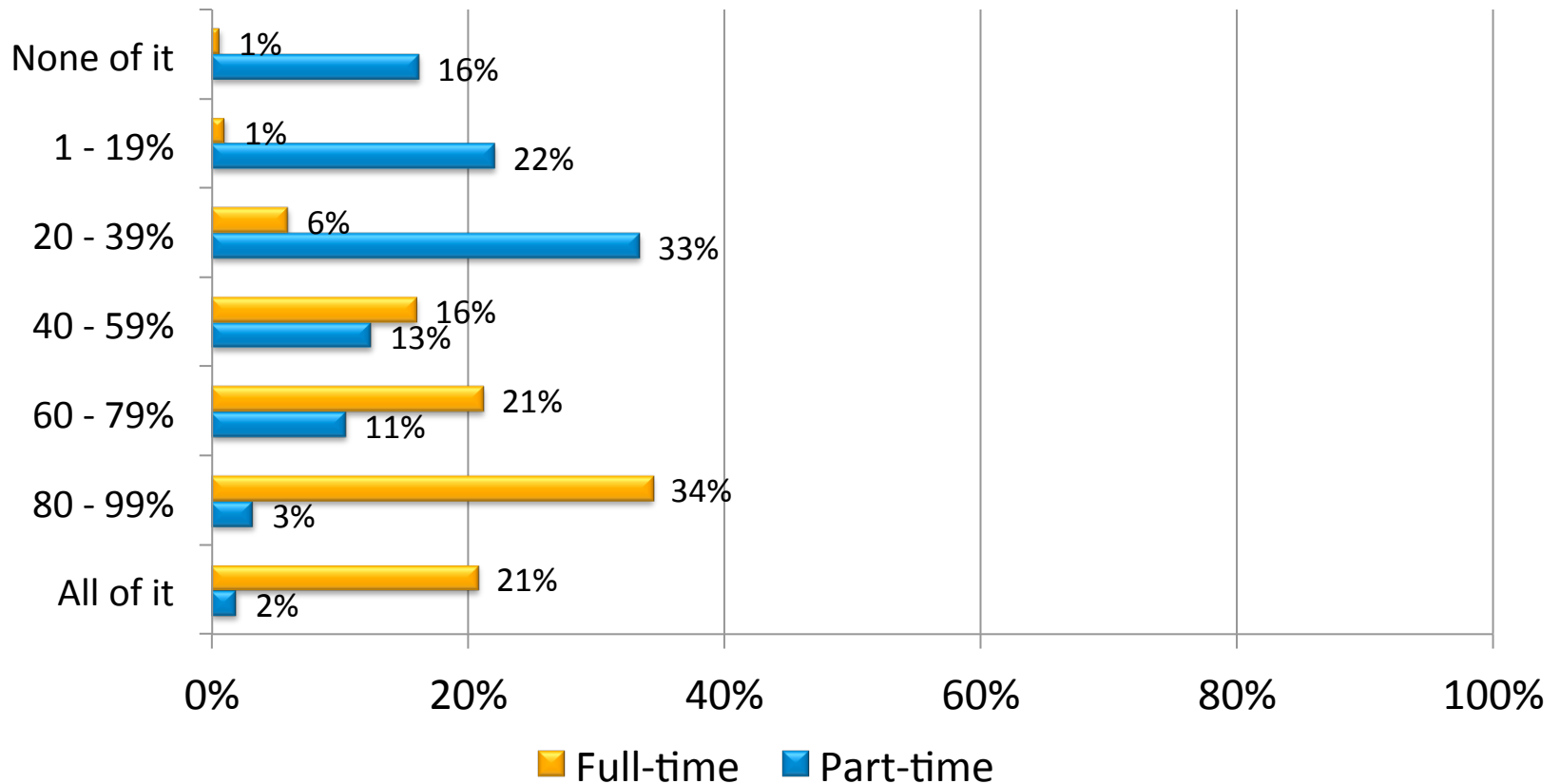
Other Income Sources

Three out of four who weren't full-time paid staff held a second job. Other income sources didn't vary much by full-time or other types of pastor jobs.



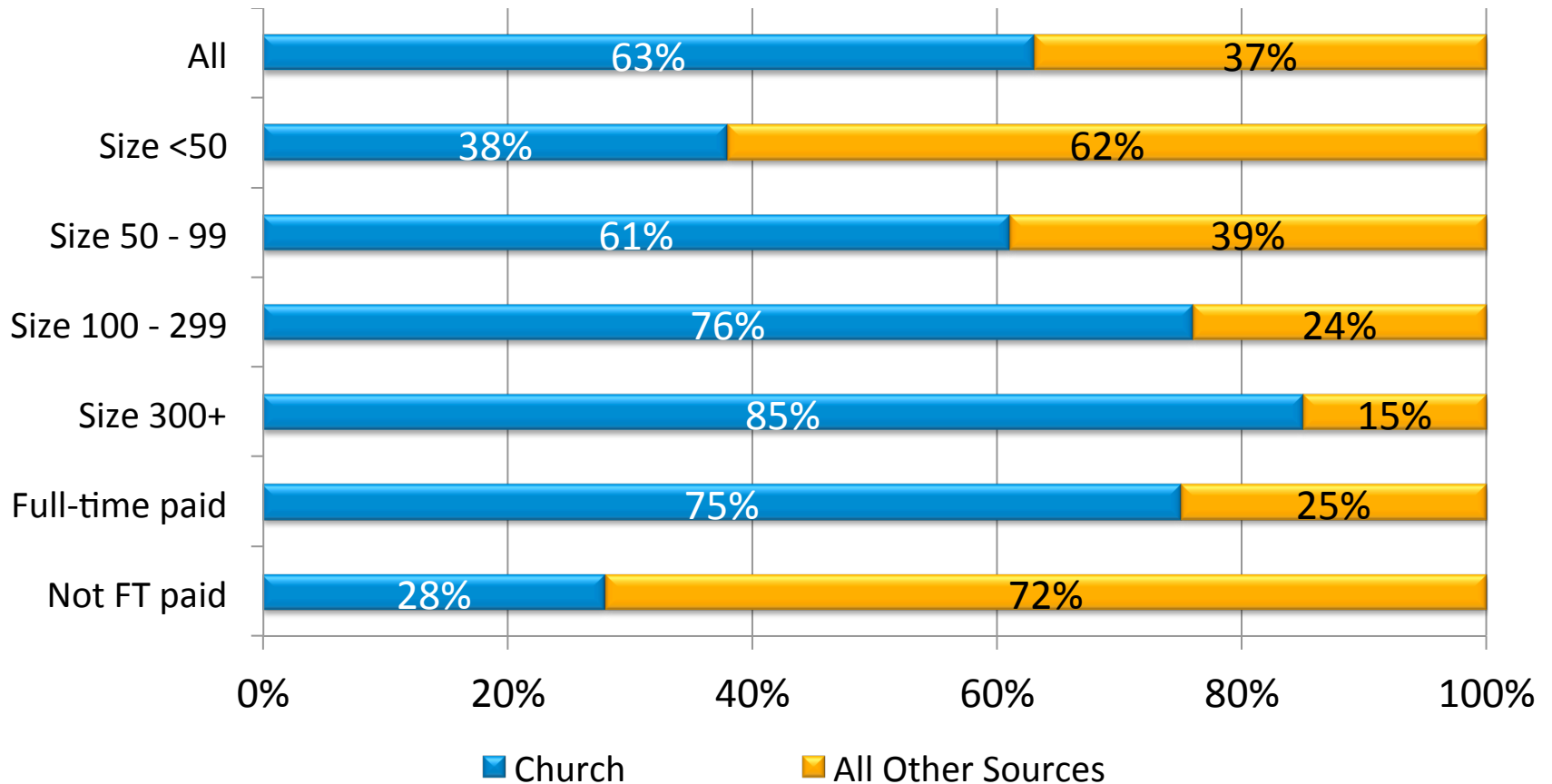
Total Household Income

For the average pastor, 63% of all household income came from their church in some manner. Just 21% of full-time pastors and 2% of all others said all of their income comes from their church. The average projected total annual household income was \$81,041.



Total Household Income

For the average pastor's household, 63% of household income came from the church in some form, while 37% came from all other sources.

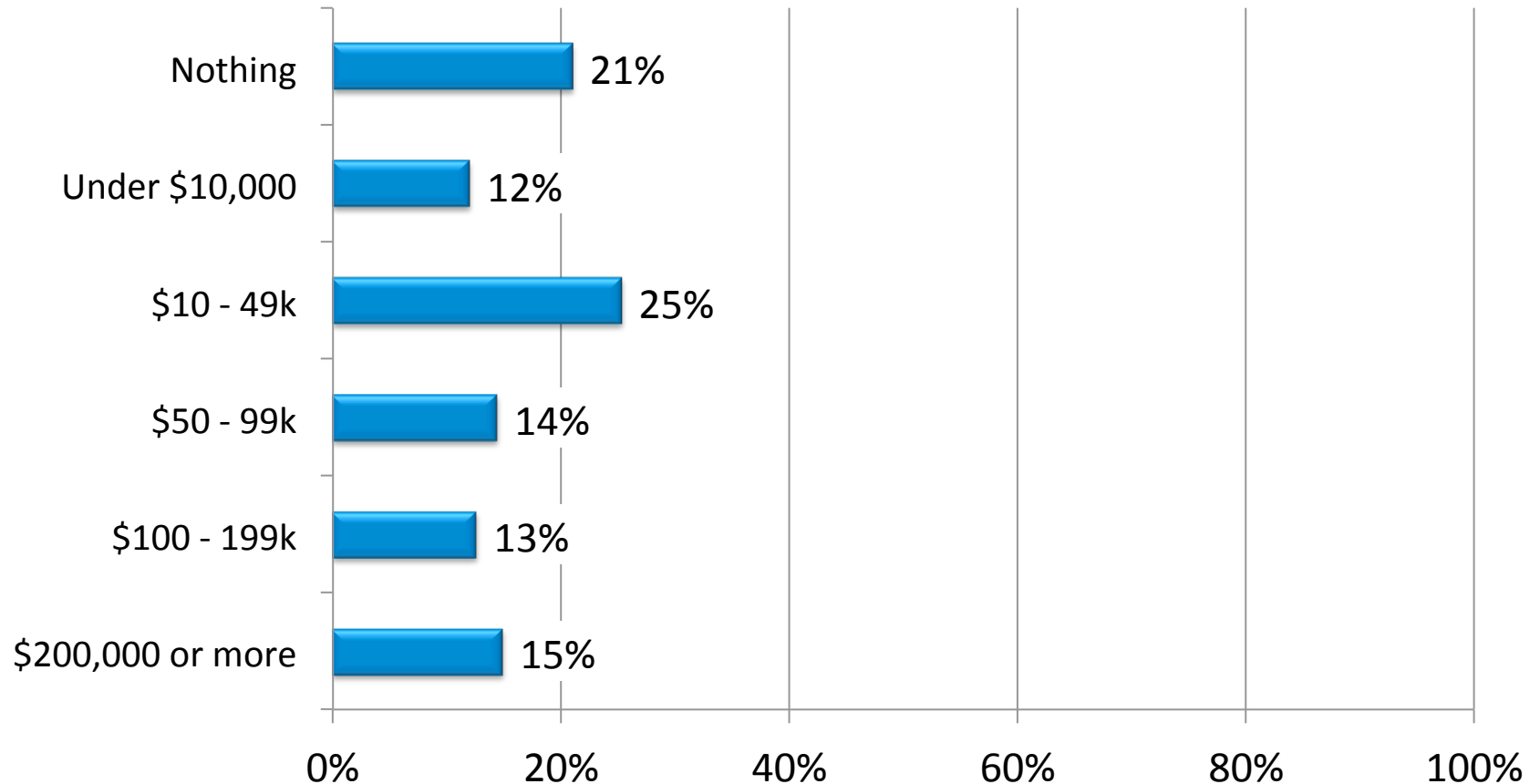




Savings

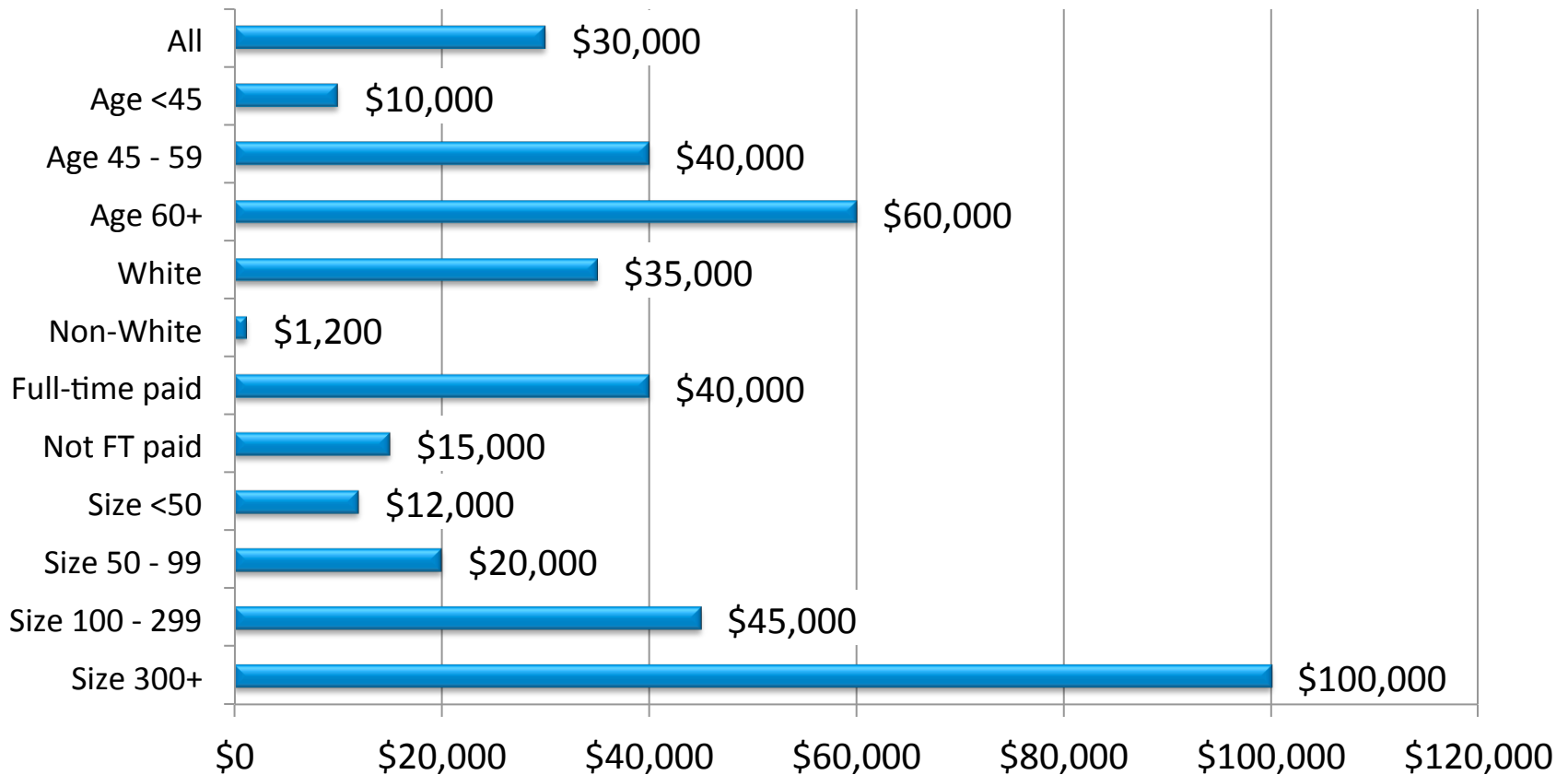
Retirement Savings

One out of five pastors had nothing at all saved for retirement. The average amount saved was \$98,287, but this was skewed by a few who had huge amounts saved; more realistic was the median, which was \$30,000.



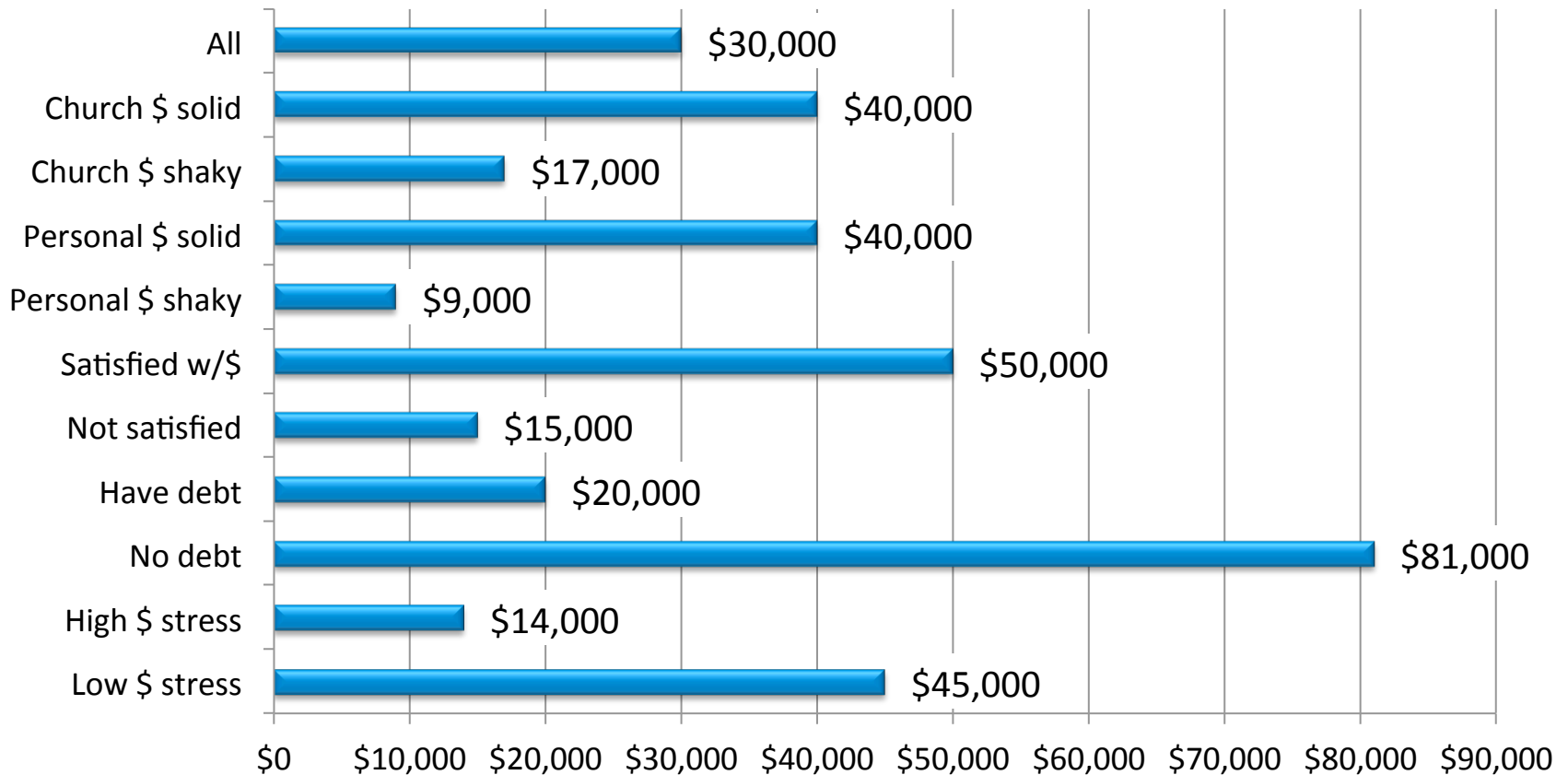
Median Retirement Savings

Non-Caucasian pastors typically had almost nothing saved for retirement. Savings were particularly low among non-full-time pastors, young people, and those in small churches. Most worrying was that the oldest pastors had a median of \$60,000 saved.



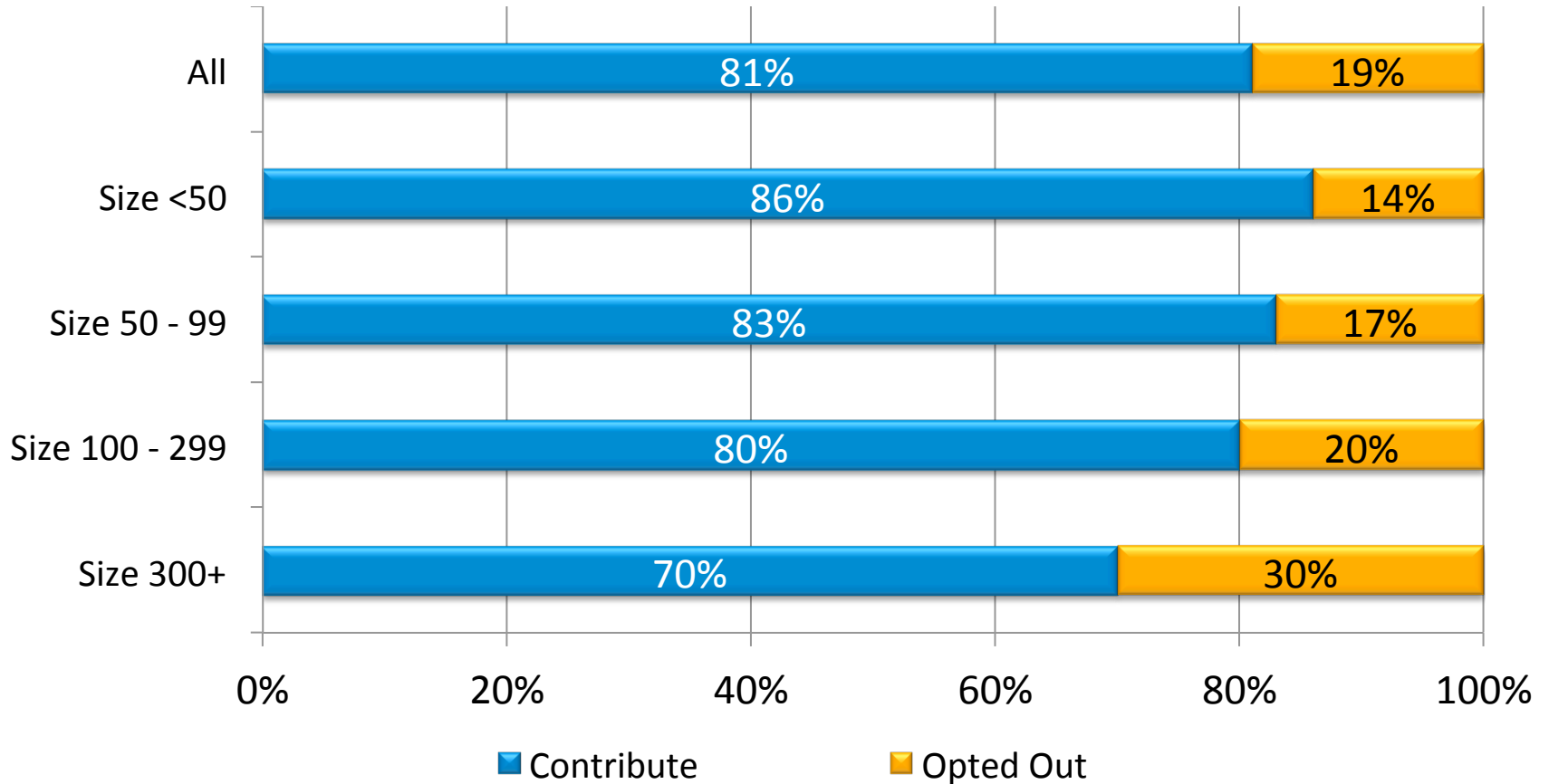
Median Retirement Savings

Even those who said their personal finances are solid had only a median of \$40,000 saved for retirement. One of the greatest differences in the amount saved was the presence or lack of debt.



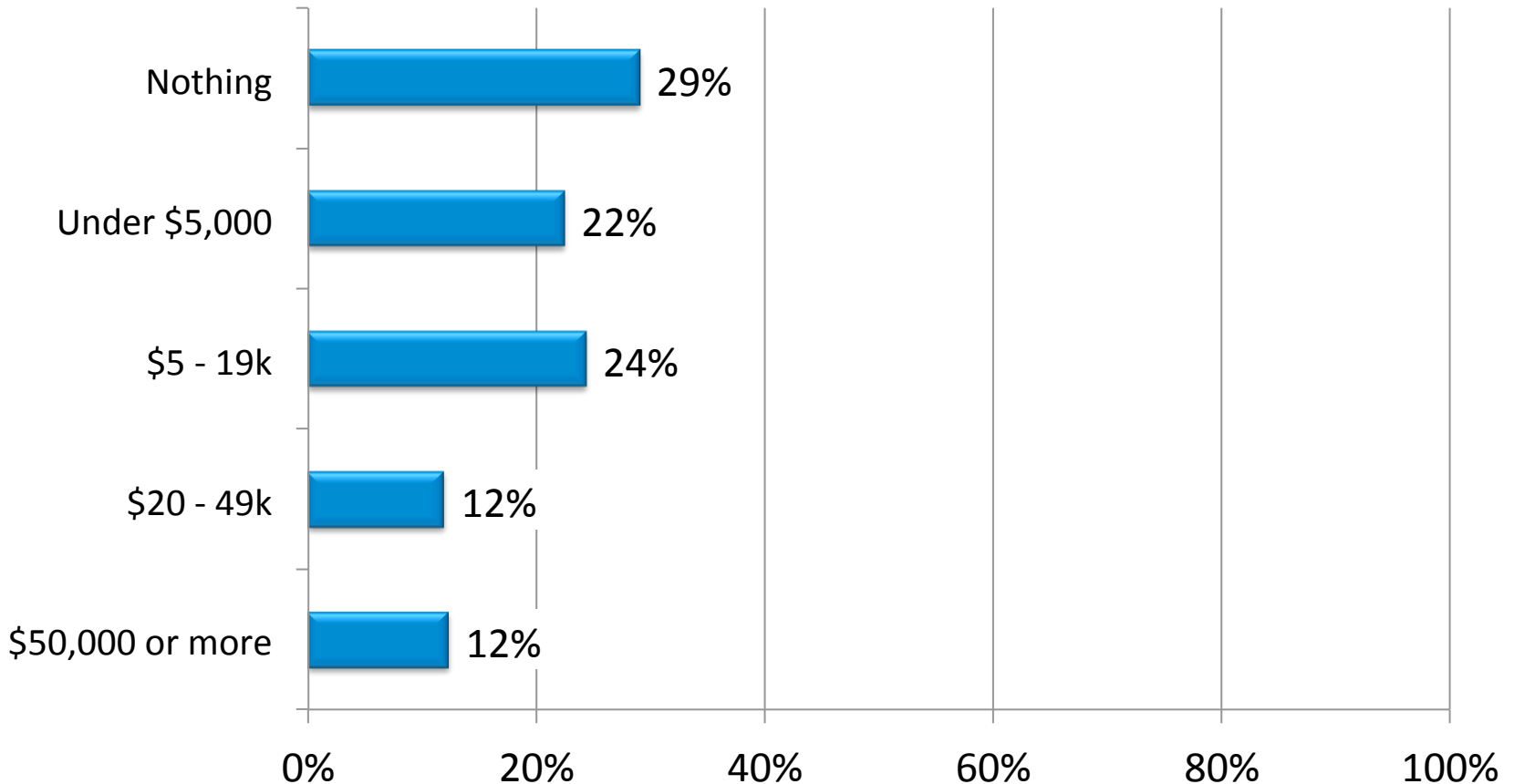
Social Security

Eight out of ten respondents were contributing to Social Security, with no real difference by age. The group most likely to have opted out was pastors in the larger churches.



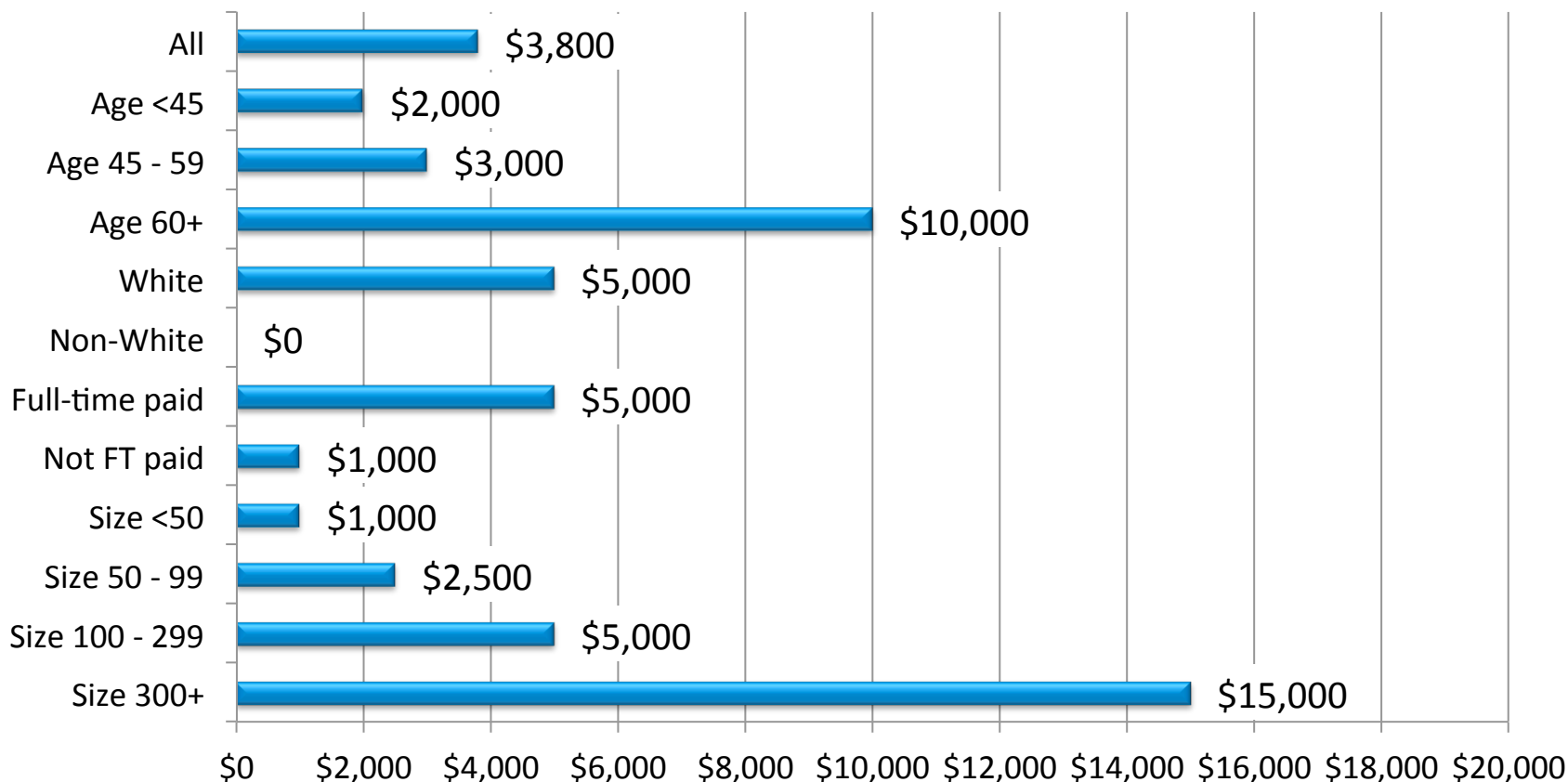
Personal Savings

Three out of ten pastors had no personal savings at all. The average amount saved was \$29,696, but this was skewed by a few who had substantial savings; more representative was the median, which was \$3,800.



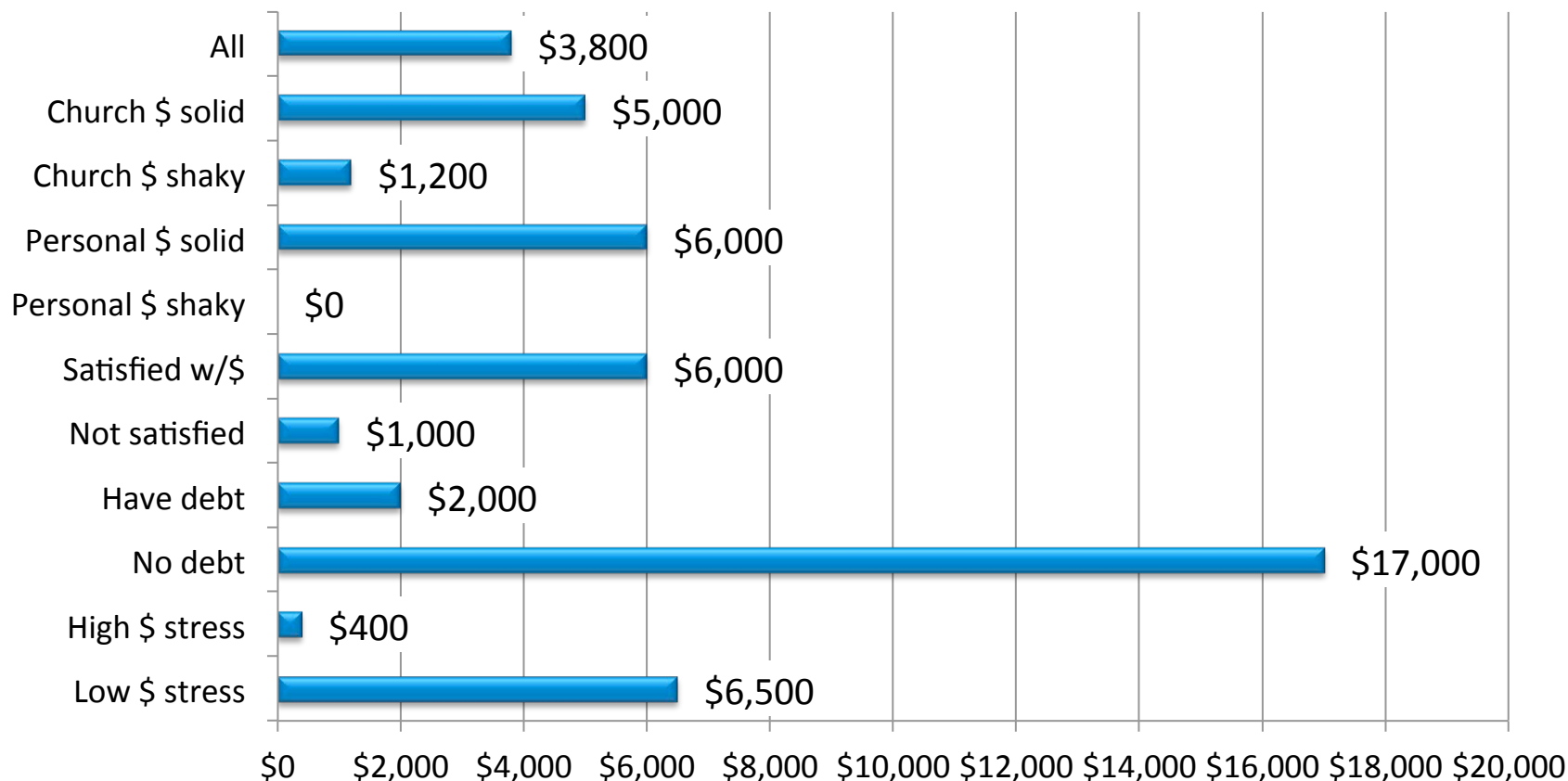
Median Personal Savings

Over half of all non-Caucasian pastors had no savings. Savings were particularly low among non-full-time pastors, young people, and those in small churches. Even those in the largest churches had a median of only \$15,000 in non-retirement savings.



Median Personal Savings

As with retirement savings, the greatest predictor of lack of personal savings was presence of debt. Even among pastors who said their household finances were solid, the median amount of non-retirement savings was only \$6,000

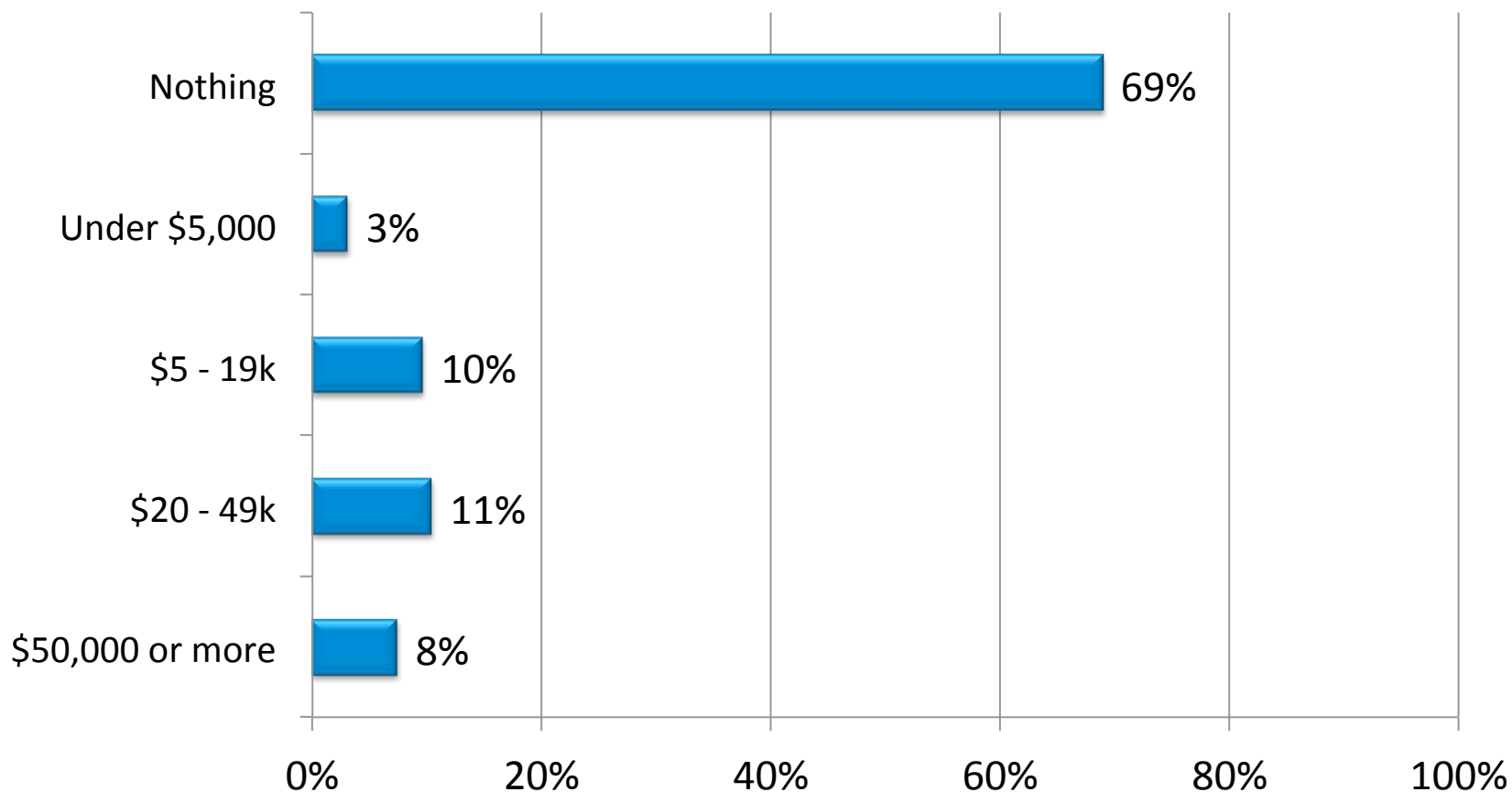




Debt

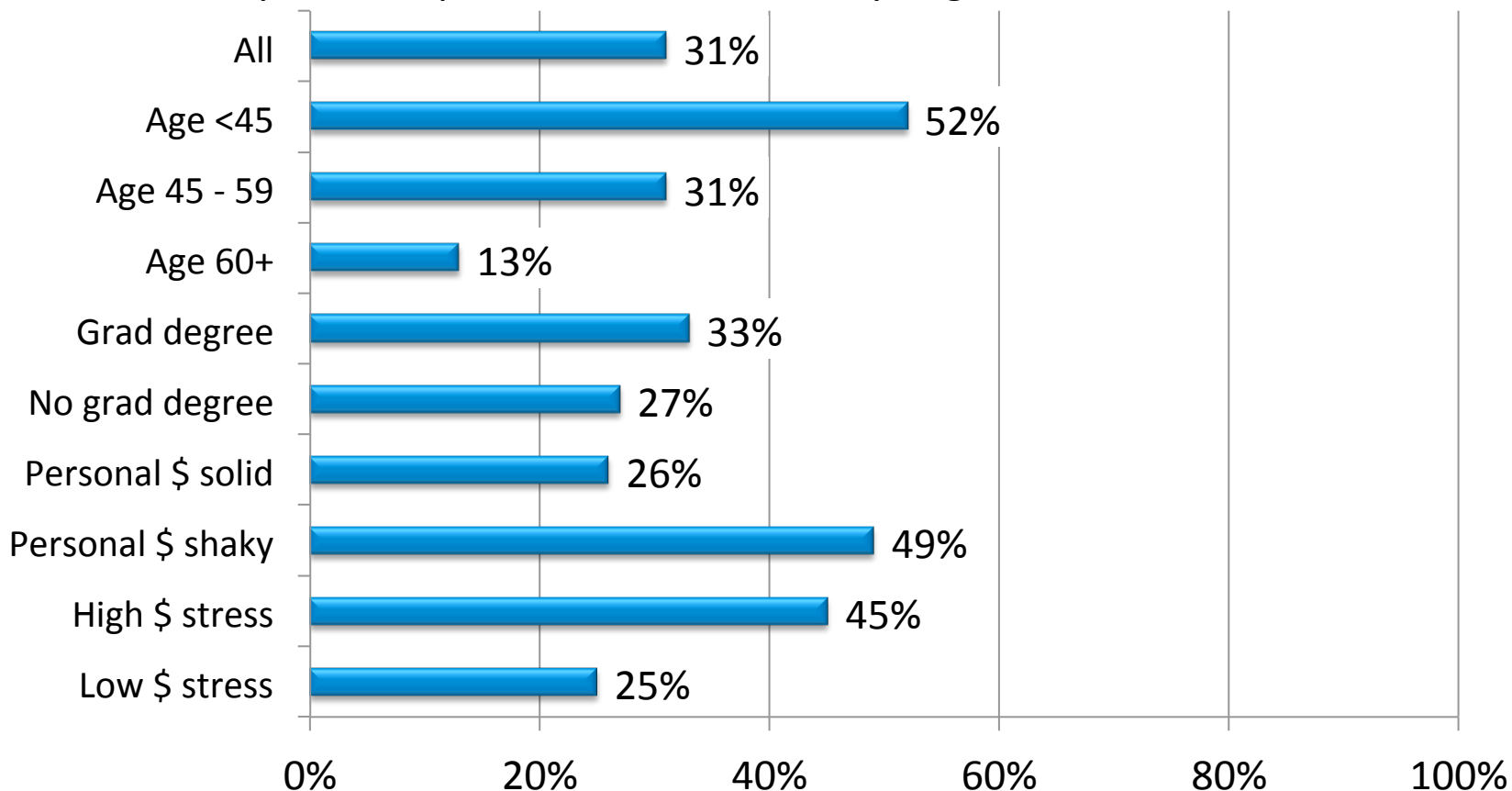
Student Loan Debt

Seven out of ten pastors had no student loan debt. Among those who had any, the average amount was \$36,039, and the median was \$25,374.



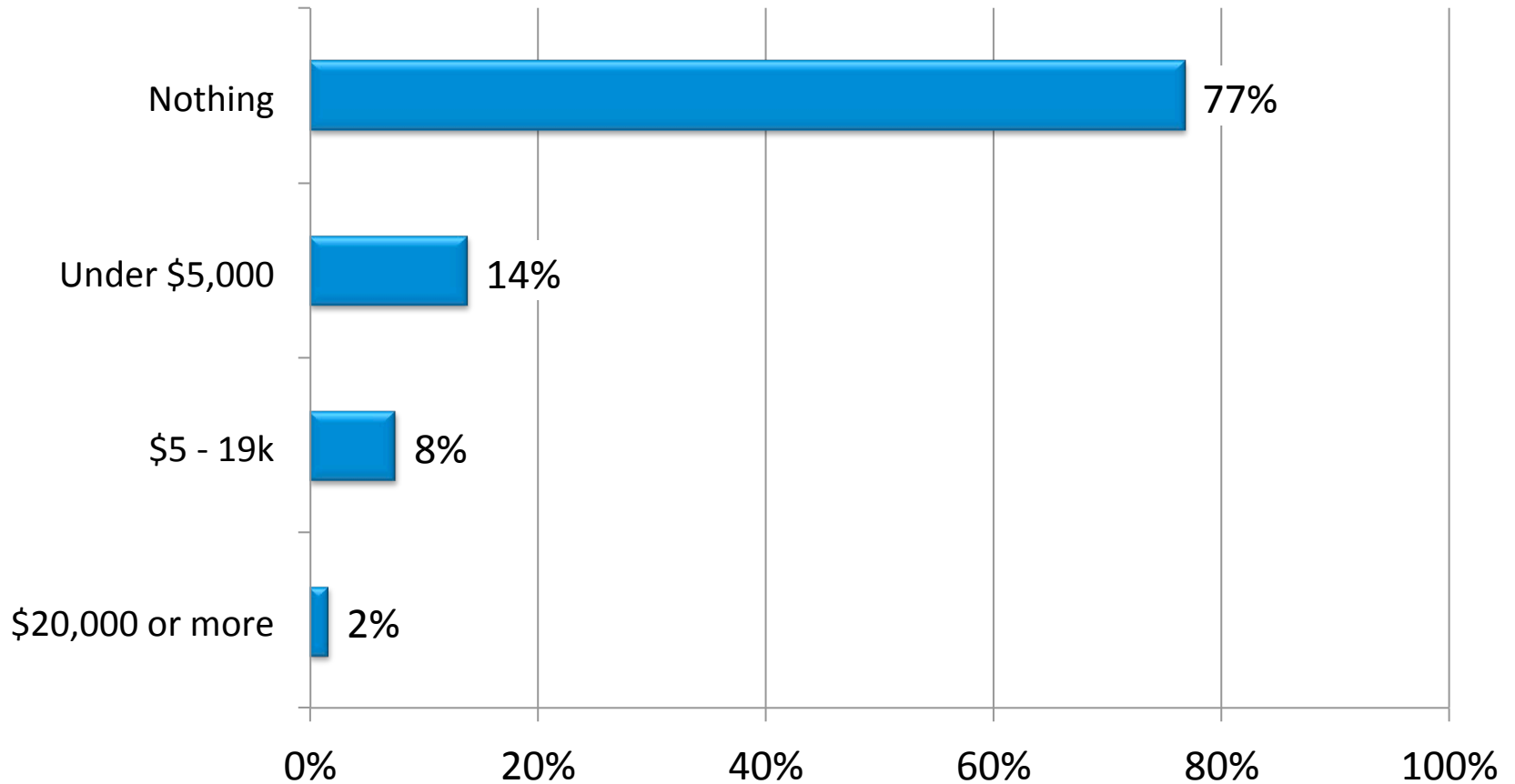
Student Loan Debt

Not surprisingly, younger pastors were far more likely to have student loan debt, as were pastors with shaky personal finances and/or a lot of financial stress. This debt isn't all seminary debt, as pastors with no seminary degree often had debt.



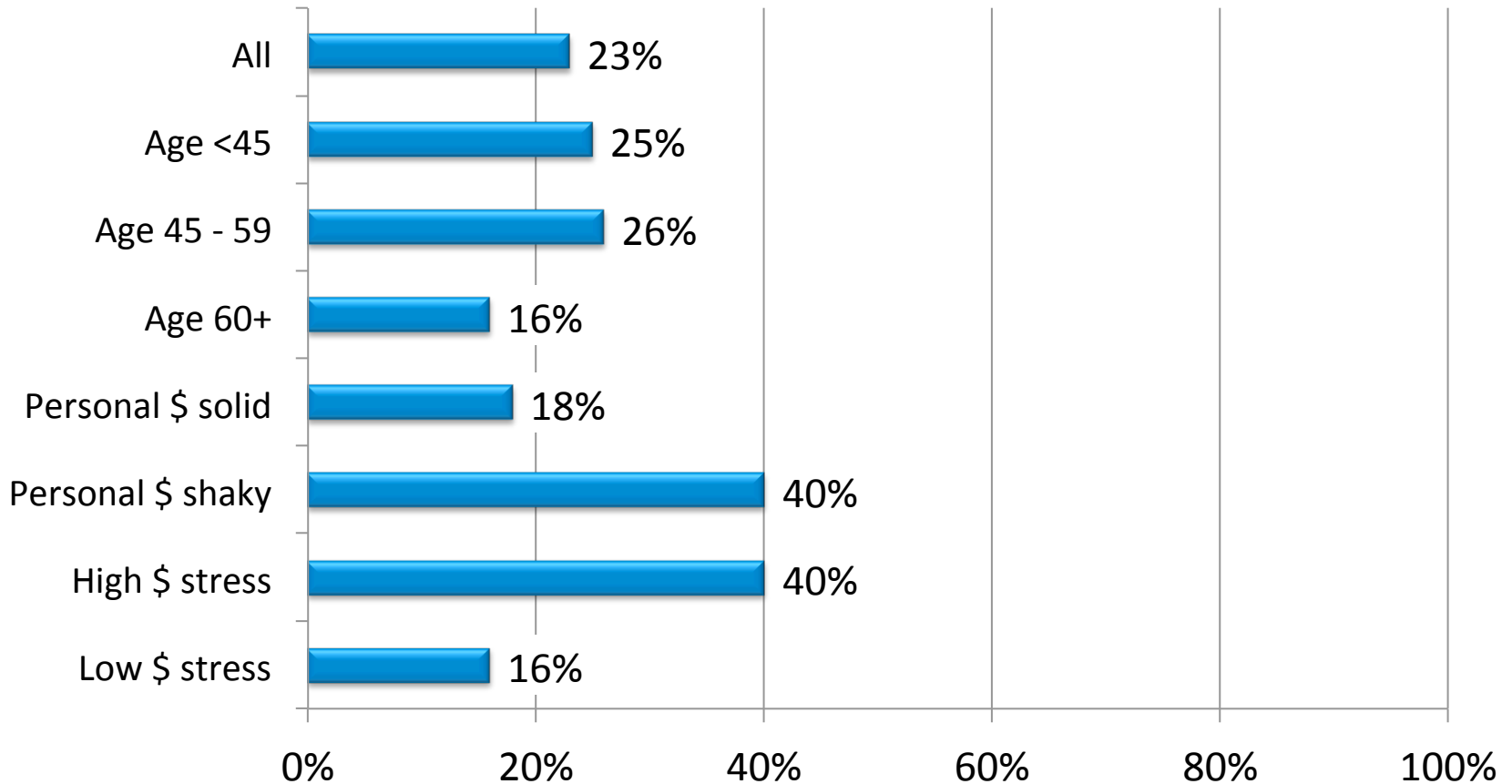
Medical Debt

Three out of four pastors had no medical debt. Among those who had any, the average amount was \$7,253, and the median was \$4,180.



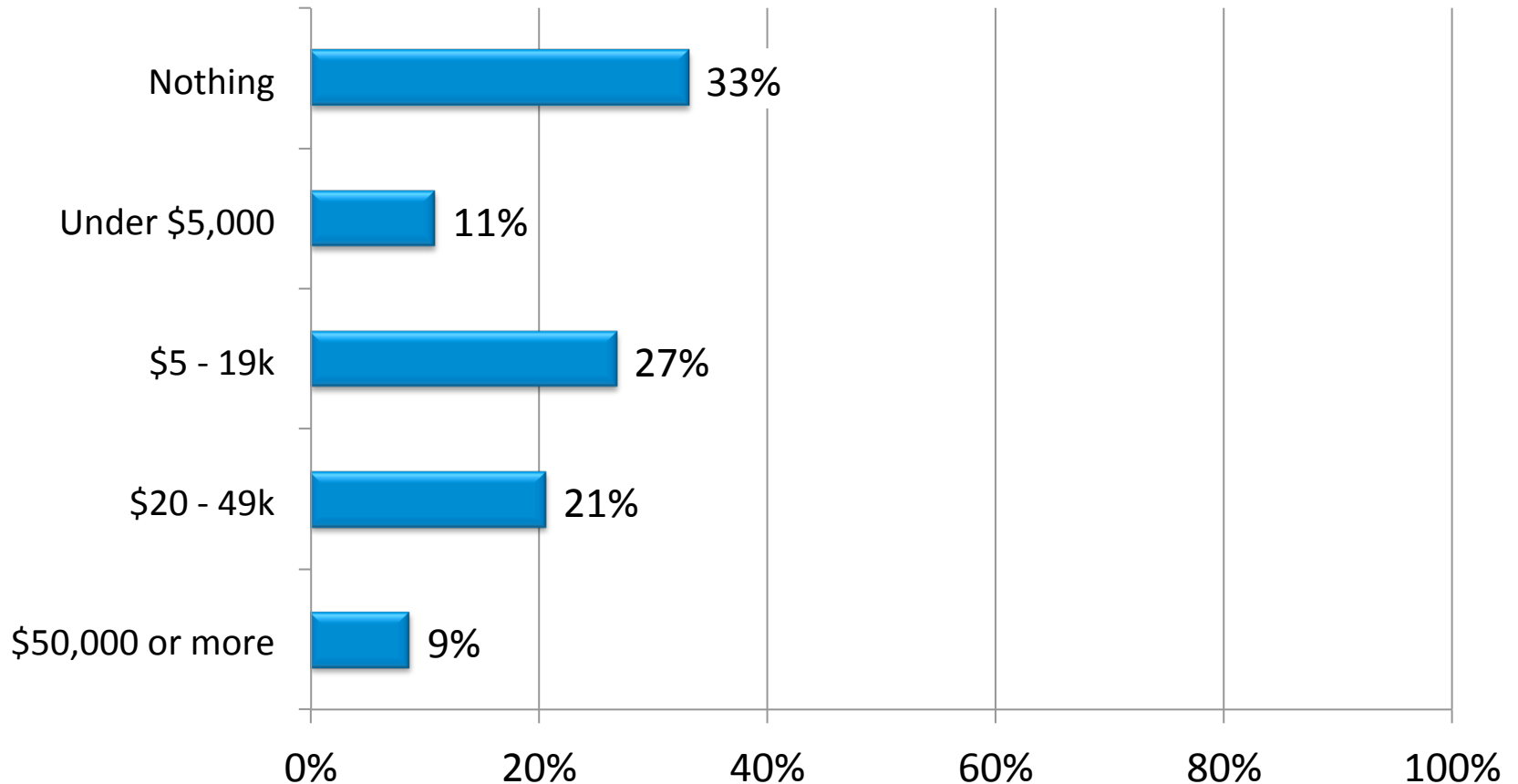
Medical Debt

Although medical expenses often increase with age, older pastors were the least likely to have medical debt. Among those with high financial stress and/or shaky personal finances, 40% were carrying medical debt.



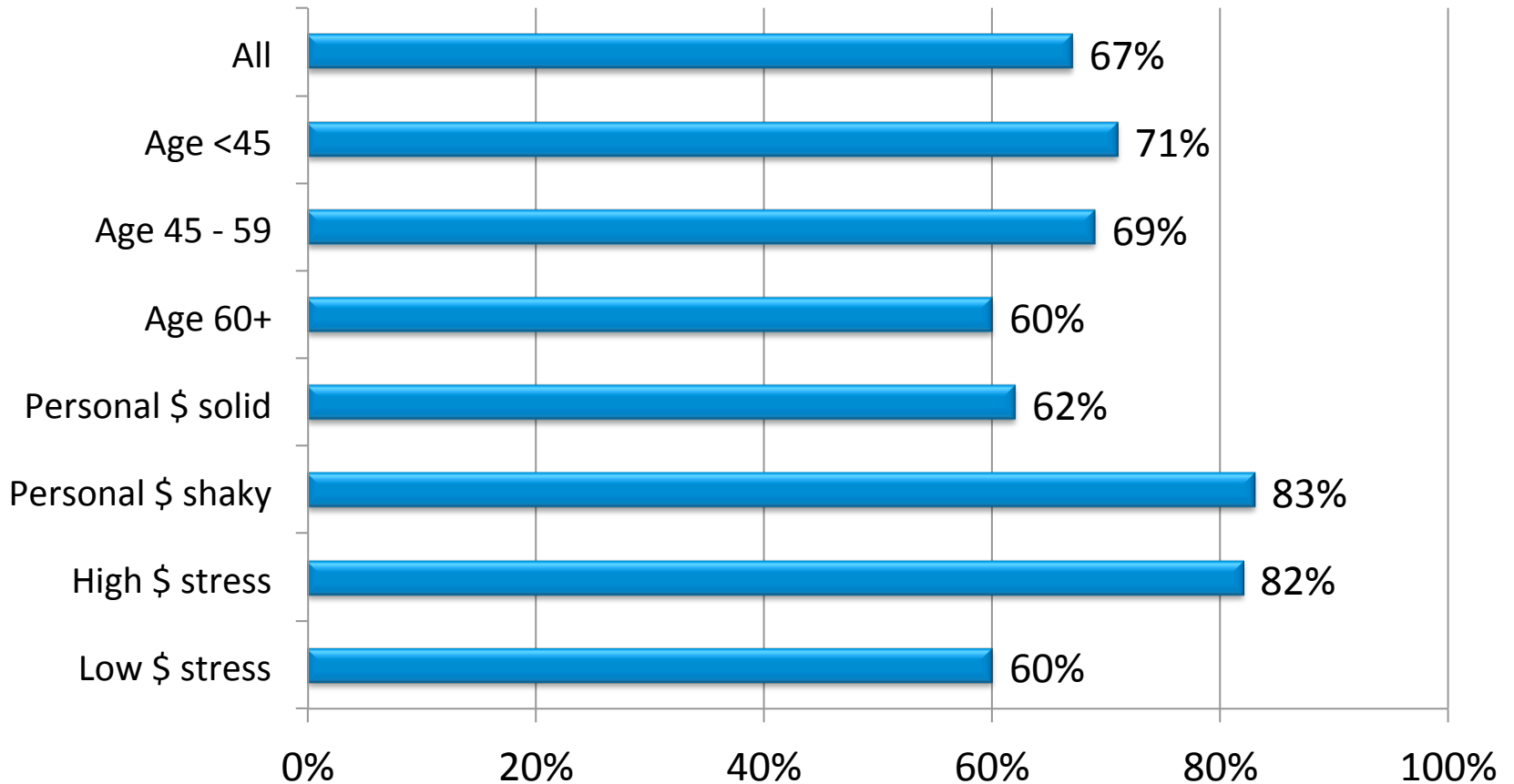
Other Non-mortgage Loan Debt

Two-thirds of pastors carried some other type of debt. Among those who did, the average amount was \$30,261, and the median was \$17,319.



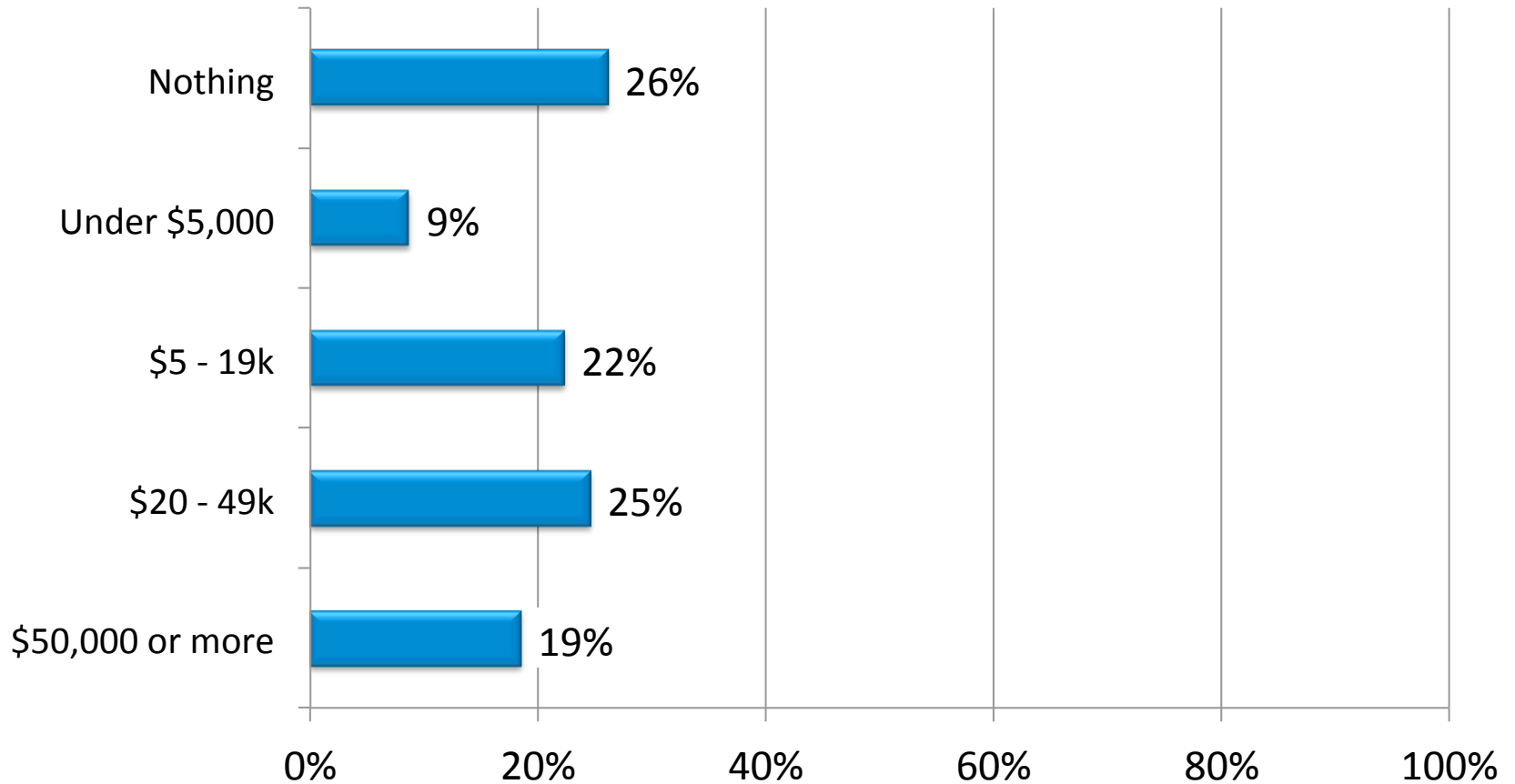
Other Non-mortgage Debt

Even among people with low financial stress and solid personal finances, the vast majority were carrying some other type of debt.



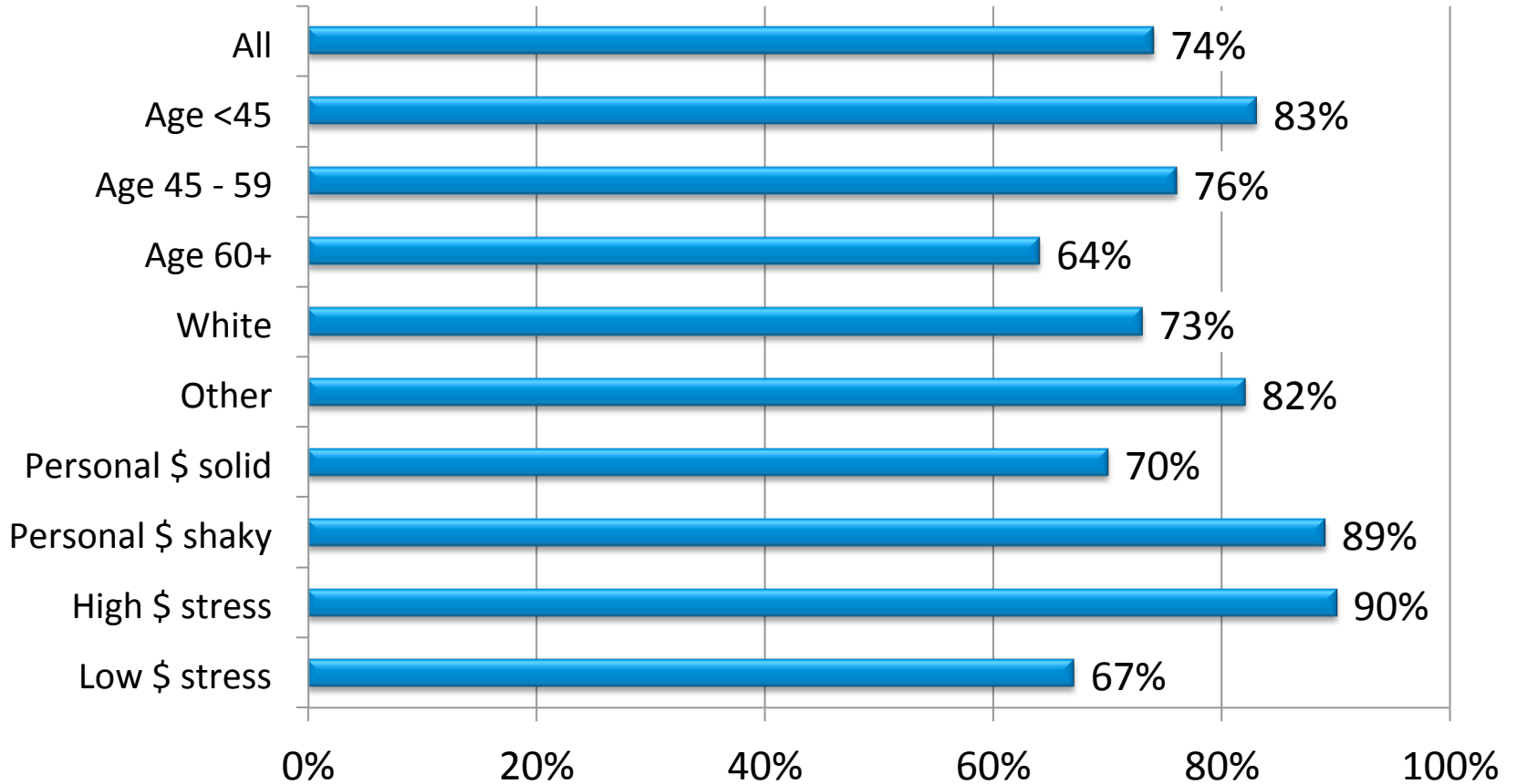
Total Debt

Just one out of four pastors carried no debt at all (excluding any mortgage debt). On the other hand, one out of five was in debt to the tune of \$50,000 or more. The average among *all* pastors was \$31,593, with a median of \$14,000.



Total Debt

The vast majority of all types of pastors were carrying some type of non-mortgage debt, with those who had shaky finances and/or high stress particularly likely to be in debt.

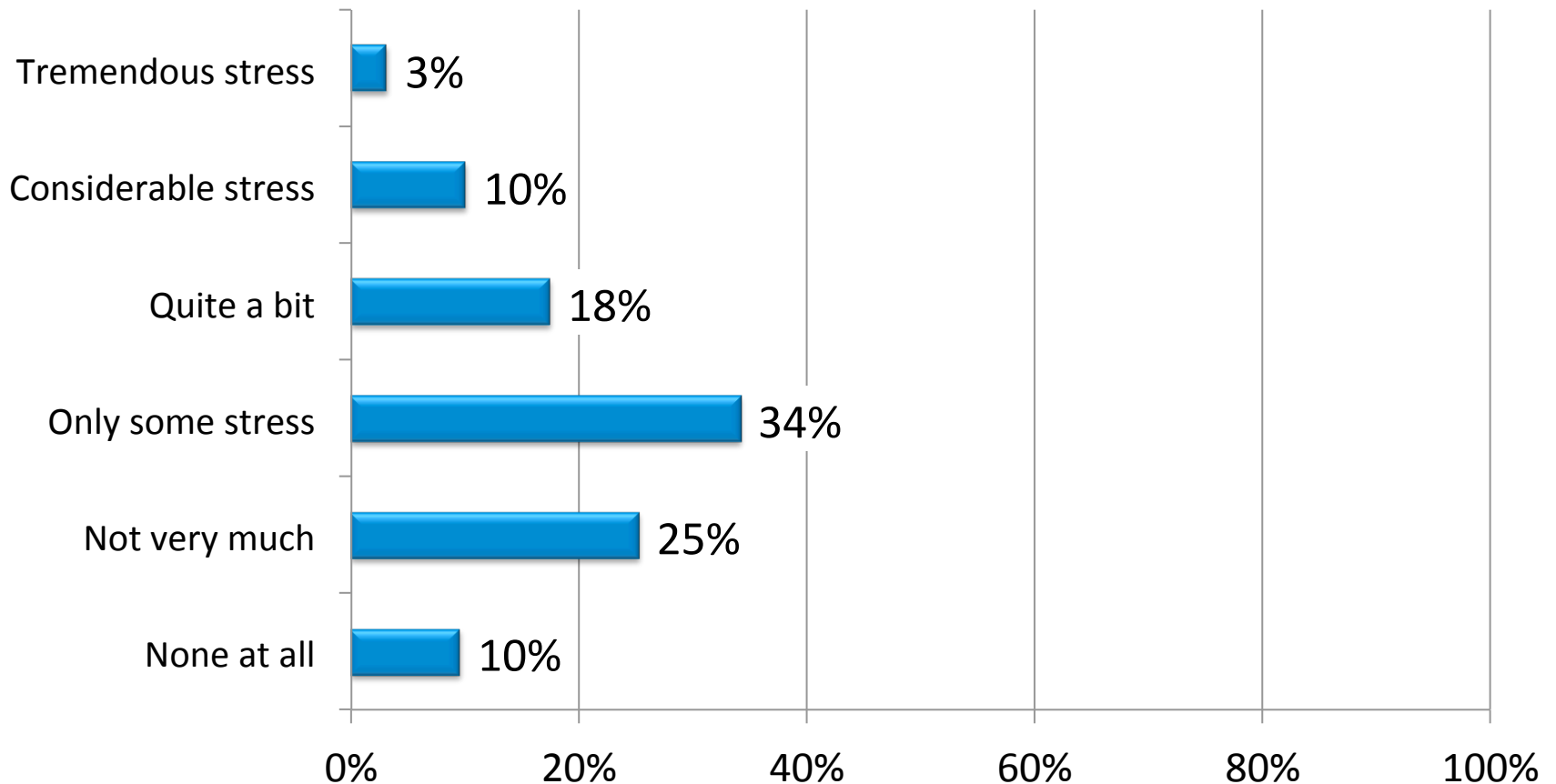




Financial Stress

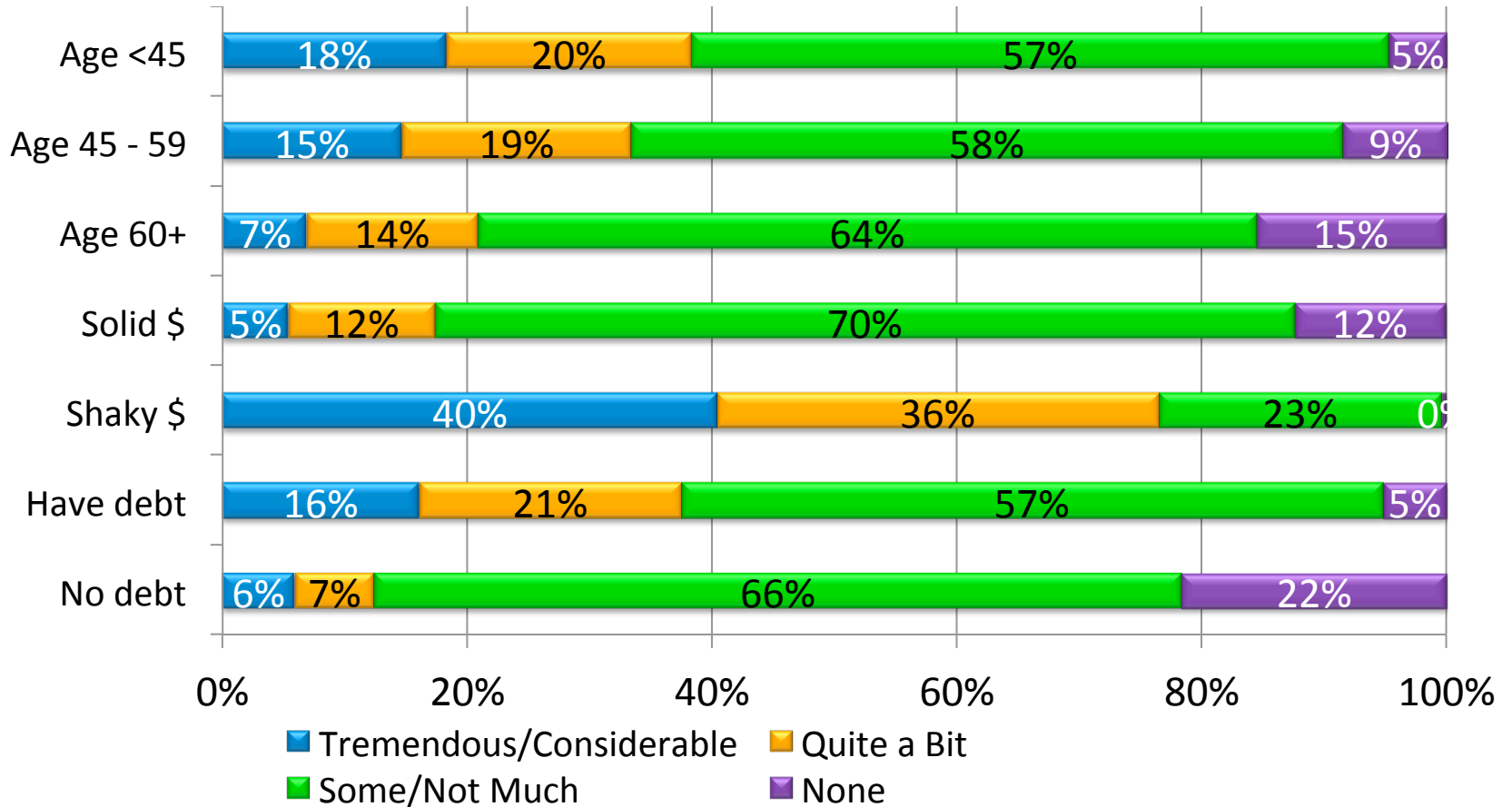
Financial Stress

Nine out of ten pastors felt at least a little financial stress, but only 13% said the stress is considerable or tremendous.



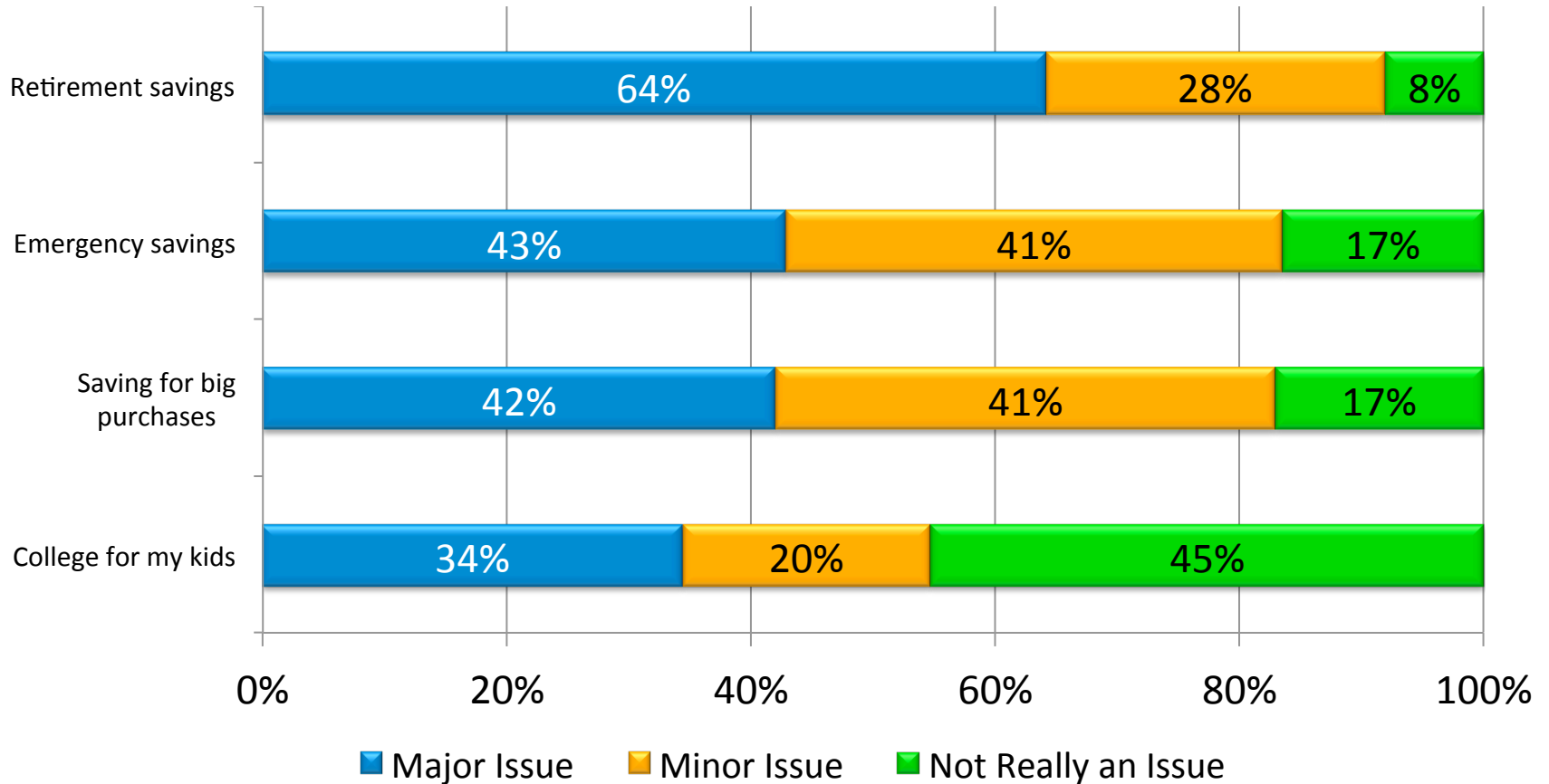
Financial Stress

Younger pastors tended to feel more financial stress, and it's no surprise that carrying debt and/or having shaky personal finances substantially increased the presence of financial stress.



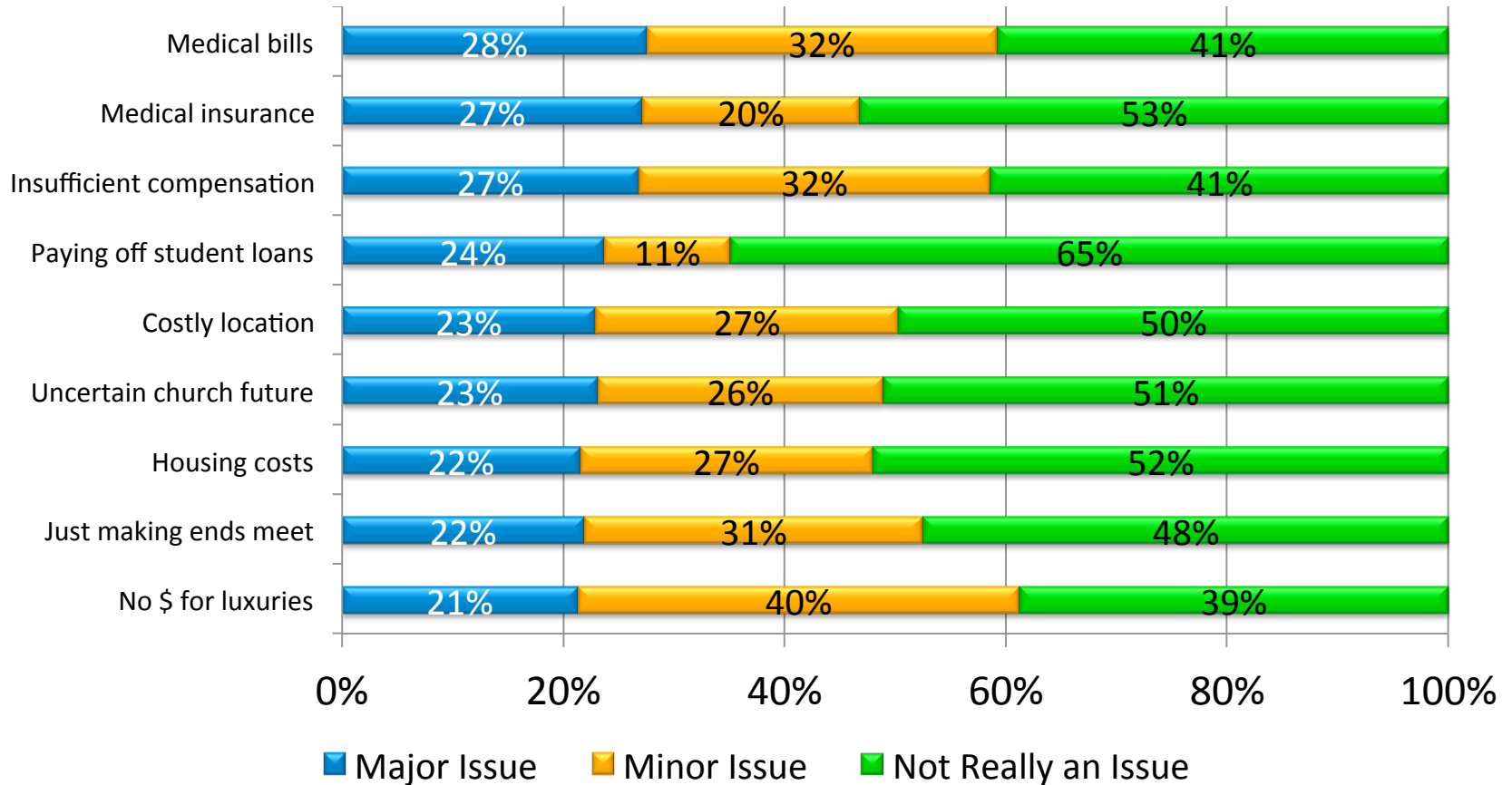
The Biggest Stress Factors

By far the four biggest financial stressors were saving: for retirement especially, but also for emergencies, big purchases, and college.



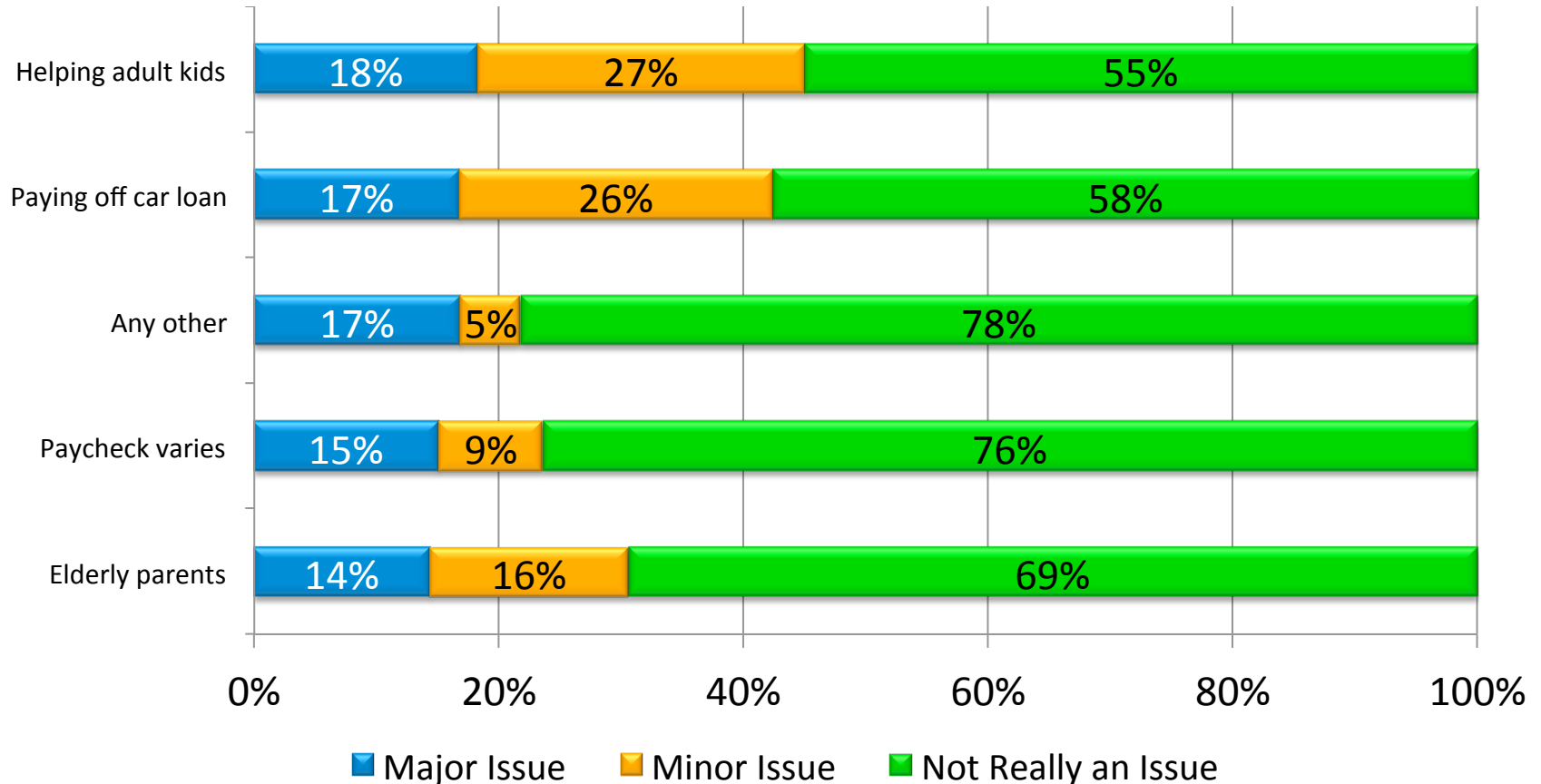
Significant Stress Factors

A variety of other factors were stressing out a lot of pastors, from medical bills to student loans to an uncertain future at their current church.



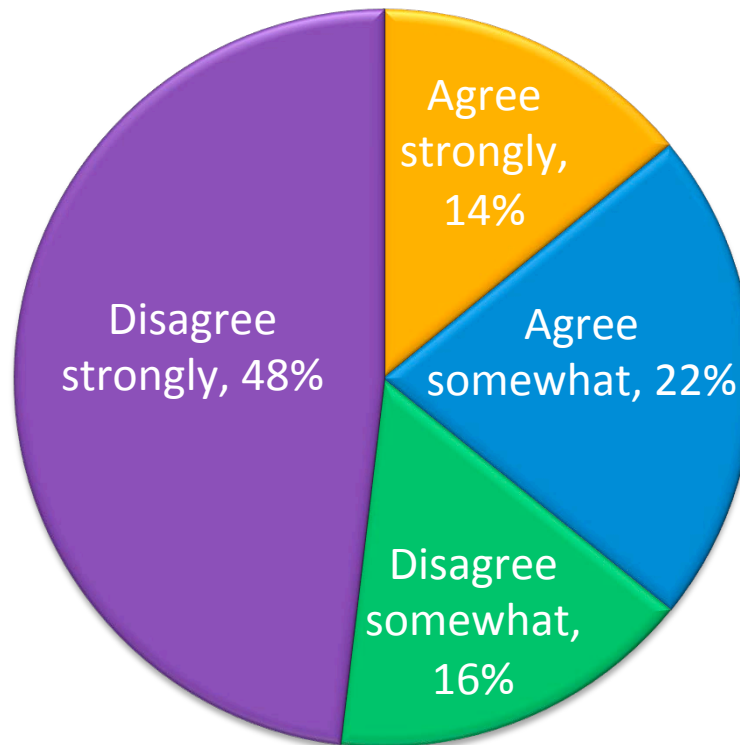
Lesser Stress Factors

Four factors caused less stress than the others, but they still caused at least minor stress for one out of every two to four pastors. In addition, 22% mentioned some factor other than the ones listed in the questionnaire.



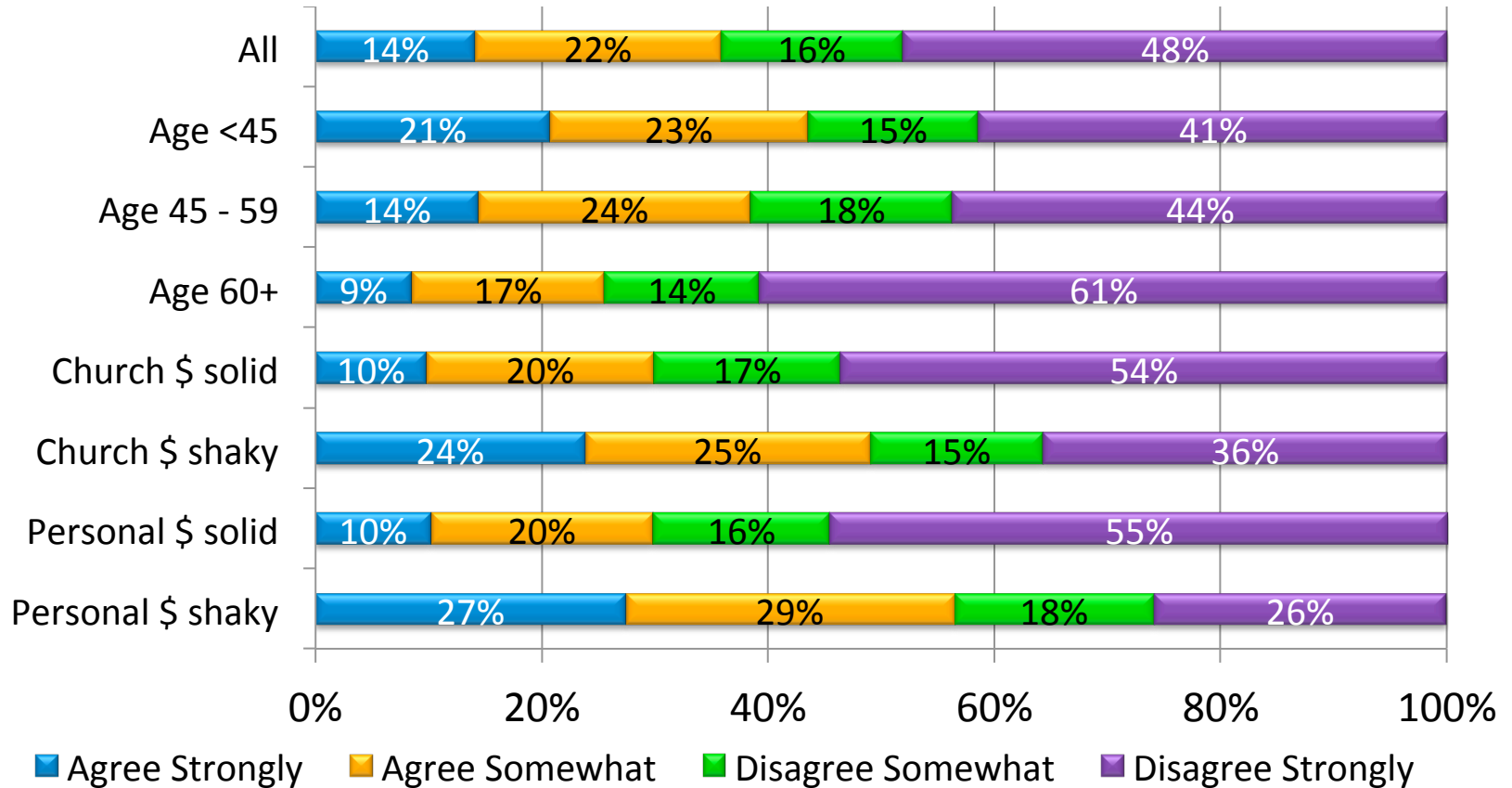
Leaving the Ministry

Over a third of all pastors have considered leaving the ministry because of financial stress or difficulties; only 48% strongly disagreed with this statement.



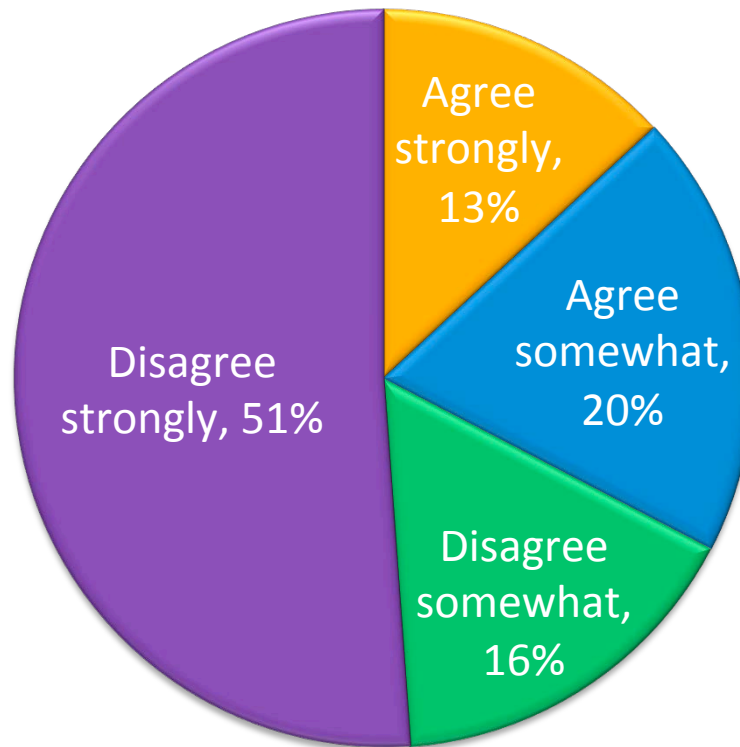
Leaving the Ministry

Younger pastors are by far the ones most likely to have considered leaving the ministry. Even in churches or households where the finances were described as solid, three out of ten have considered leaving for financial reasons.



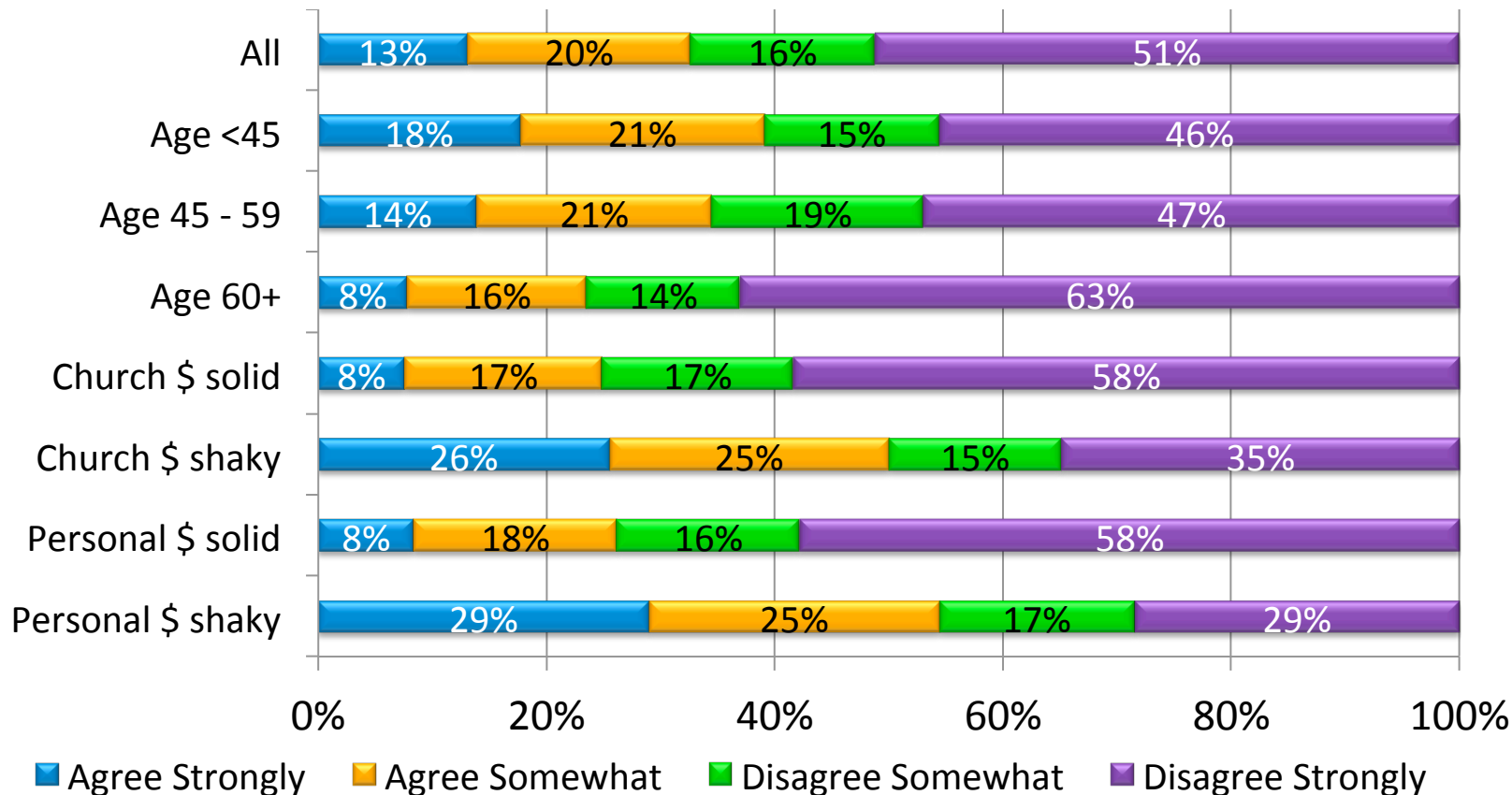
Leaving Their Church

One-third of all pastors have considered leaving their current position because of financial stress or difficulties; only 51% strongly disagreed with this statement.



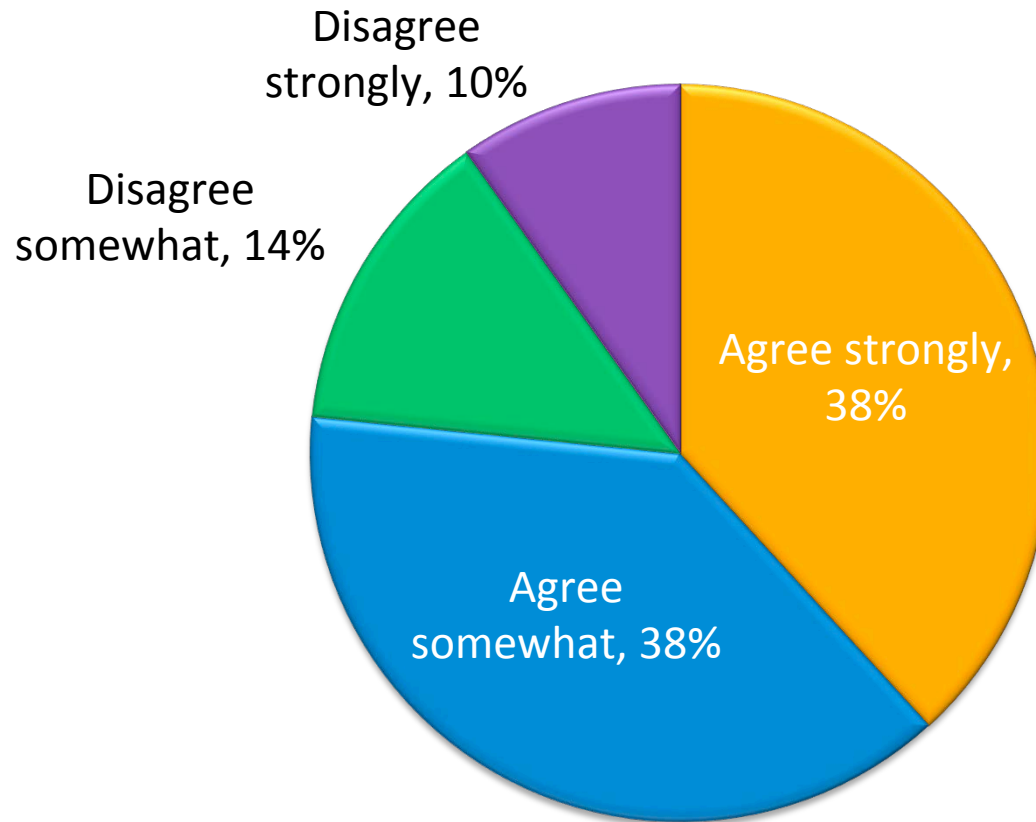
Leaving Their Church

Pastors under age 60 are by far the ones most likely to have considered leaving their church. Even in churches or households where the finances were described as solid, one out of four has considered leaving for financial reasons.



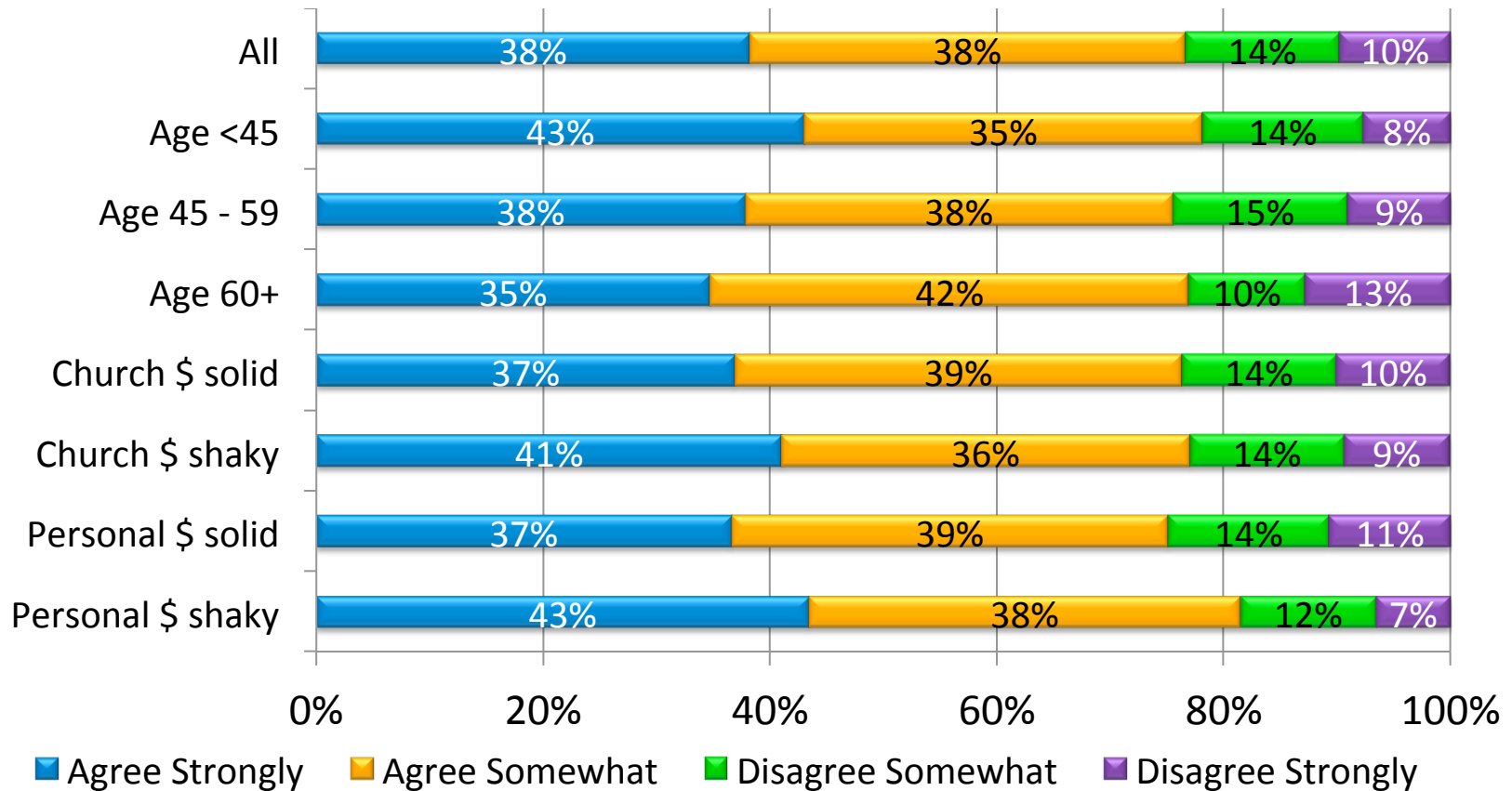
Knowing Those Who've Left

Most pastors knew someone who had left the ministry because of financial difficulties (maybe this was one reason so many considered themselves better off than the typical pastor).



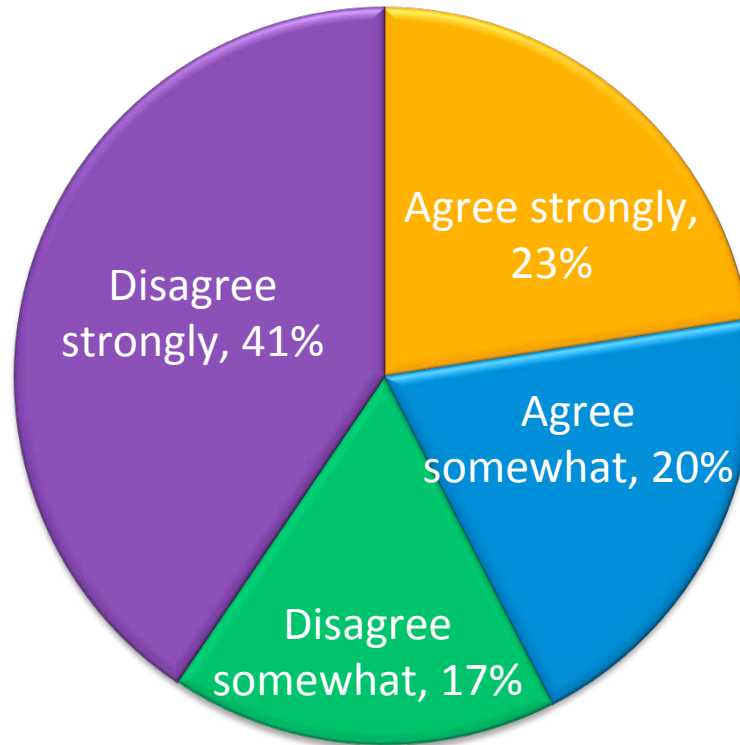
Knowing Those Who've Left

Knowing someone who had left the ministry was fairly universal, without major differences by financial status, church size, age, or other factors.



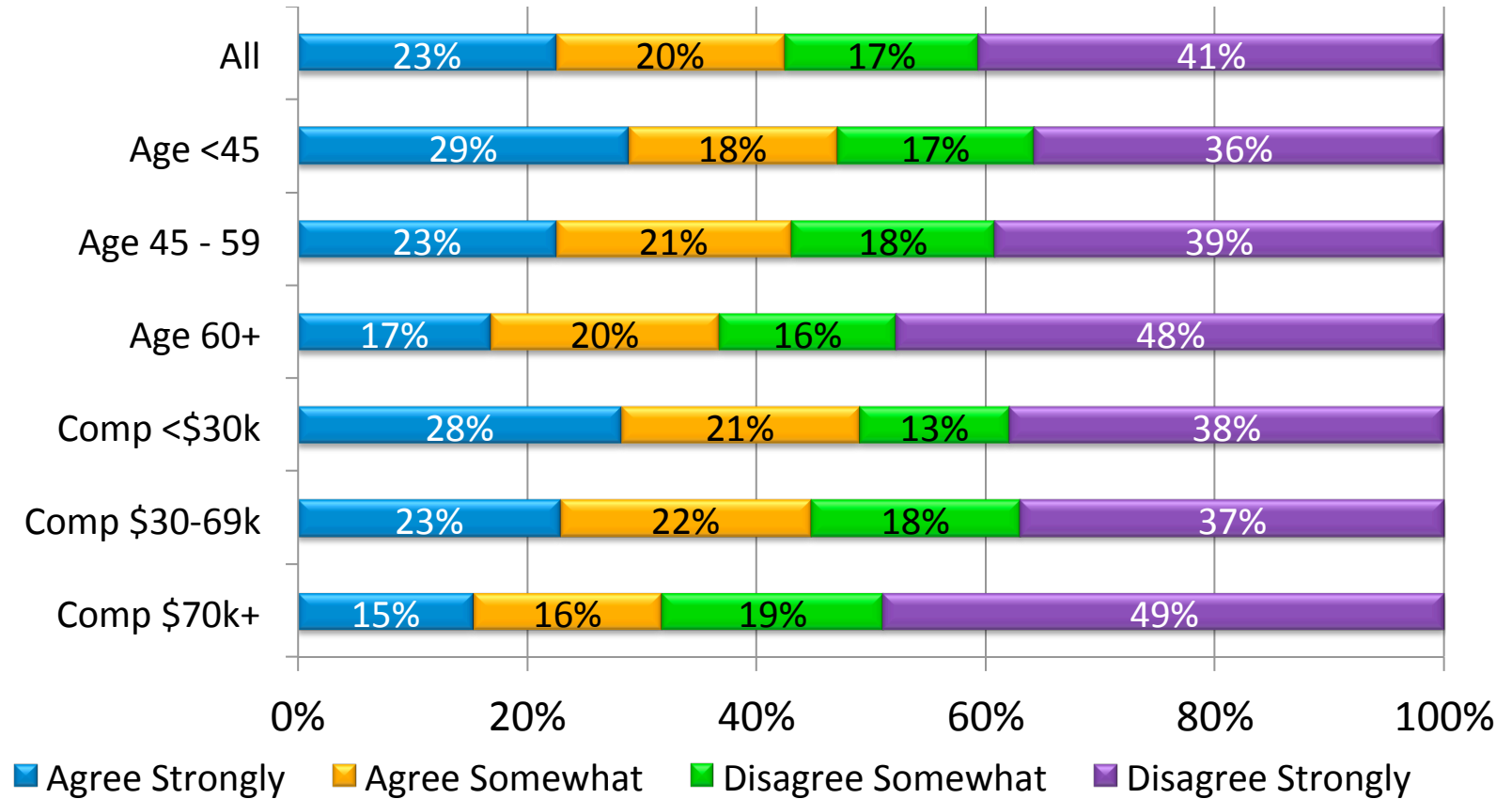
Opportunities to Leave

Four out of ten pastors reported having opportunities or offers for another job that would have offered better compensation.



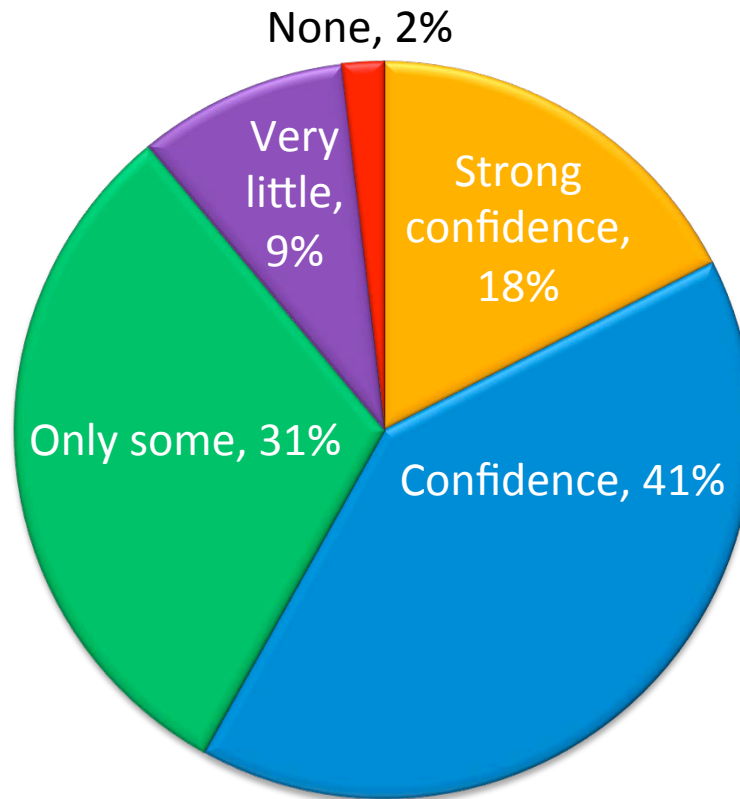
Opportunities to Leave

Younger pastors and those with lower compensation levels were the most likely to say they have had opportunities to leave the ministry for better-paying jobs.



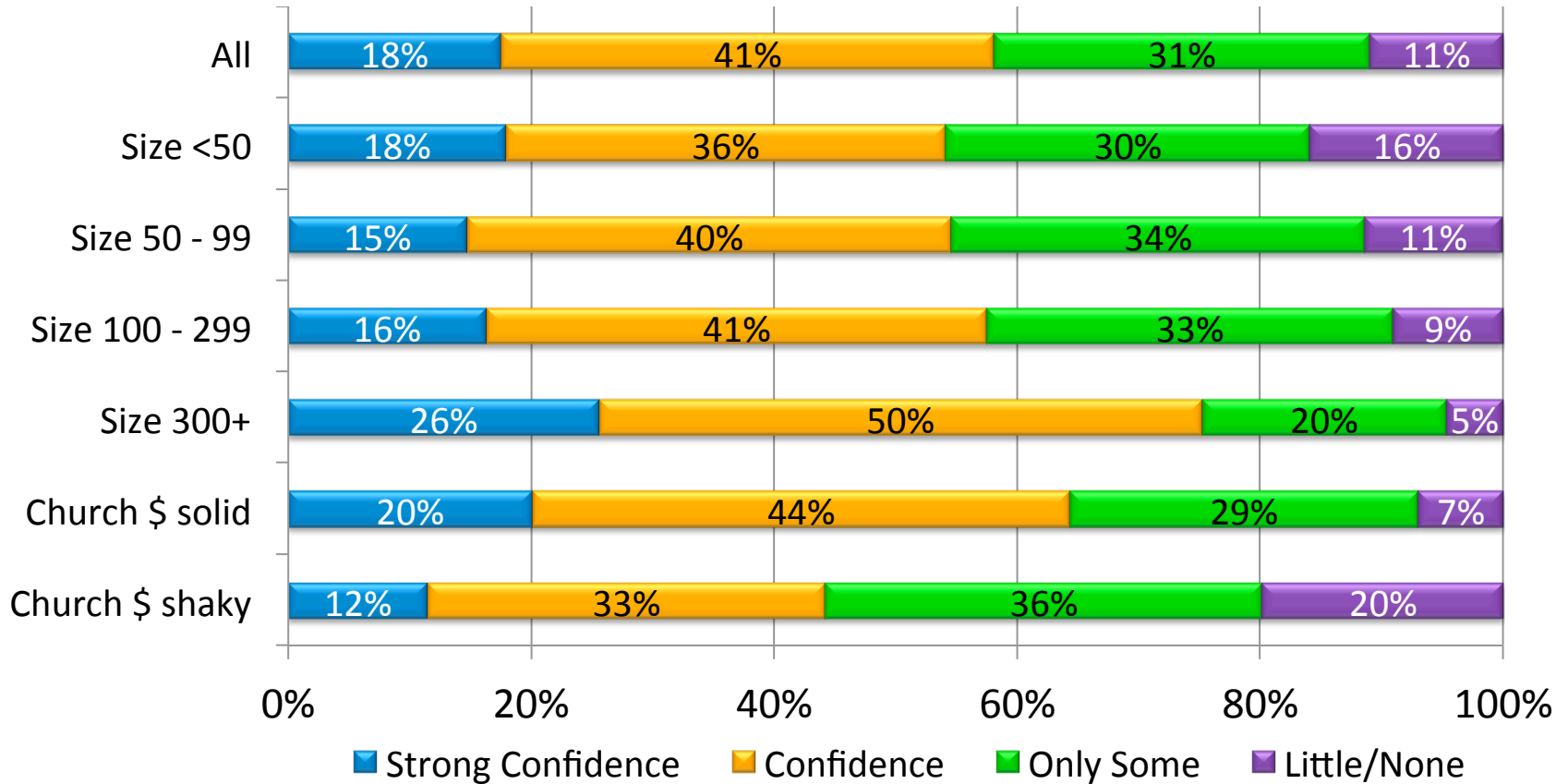
Confidence in the Future

Only 18% of all pastors have strong confidence that they'll be okay financially ten years from now, although another 41% did have confidence. On the other hand, only 11% had very little or no confidence in their financial future.



Confidence in the Future

Pastors in the largest churches had more confidence in their financial future, but in categories below 300 people, the size of the church is didn't make a difference.

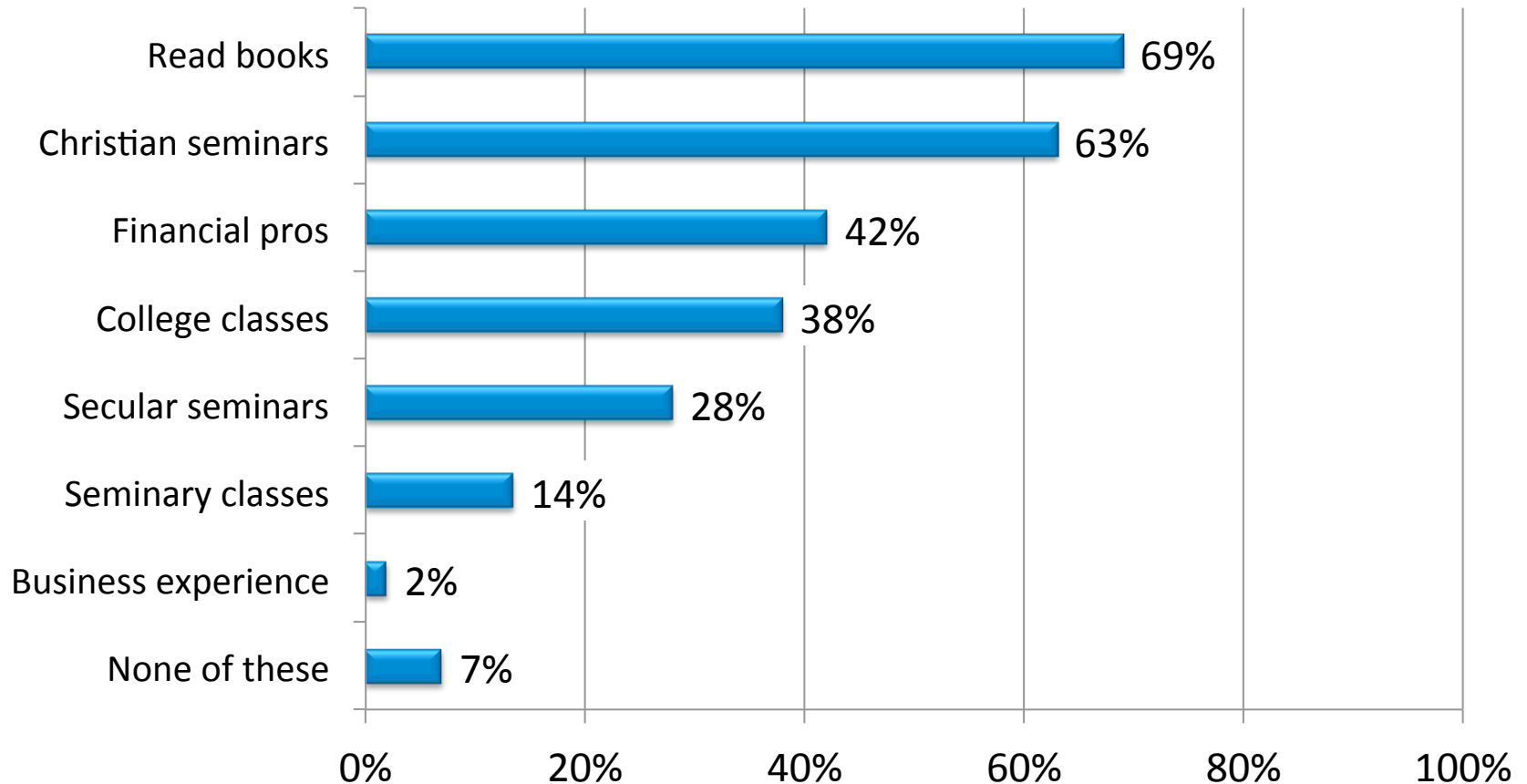




Sources of Help

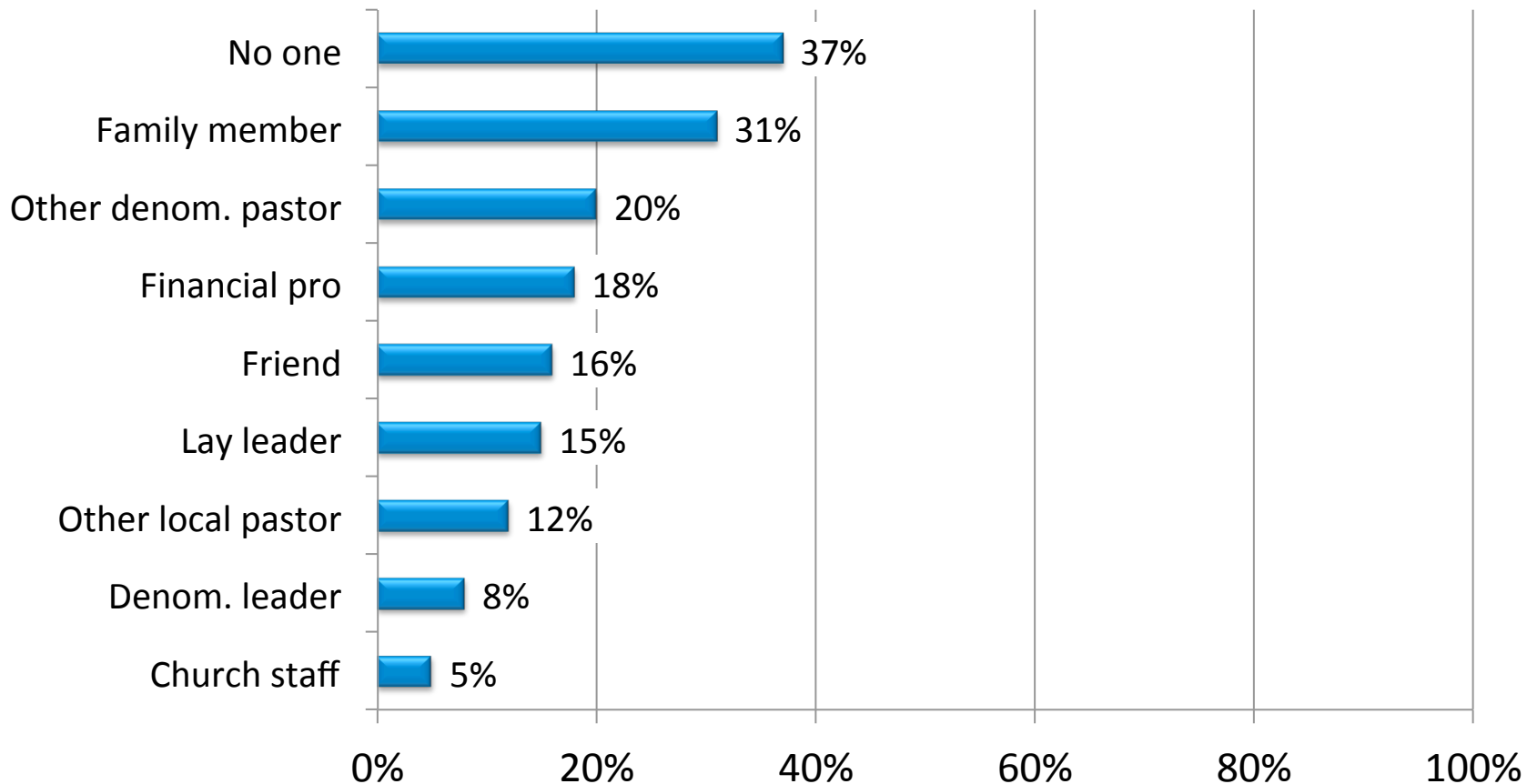
Financial Training

Only 43% of pastors have had formal financial training (classes in college or seminary). Even among those with a seminary/graduate degree, just 19% said they had financial classes in seminary. Most are self-taught through books, seminars, or professionals.



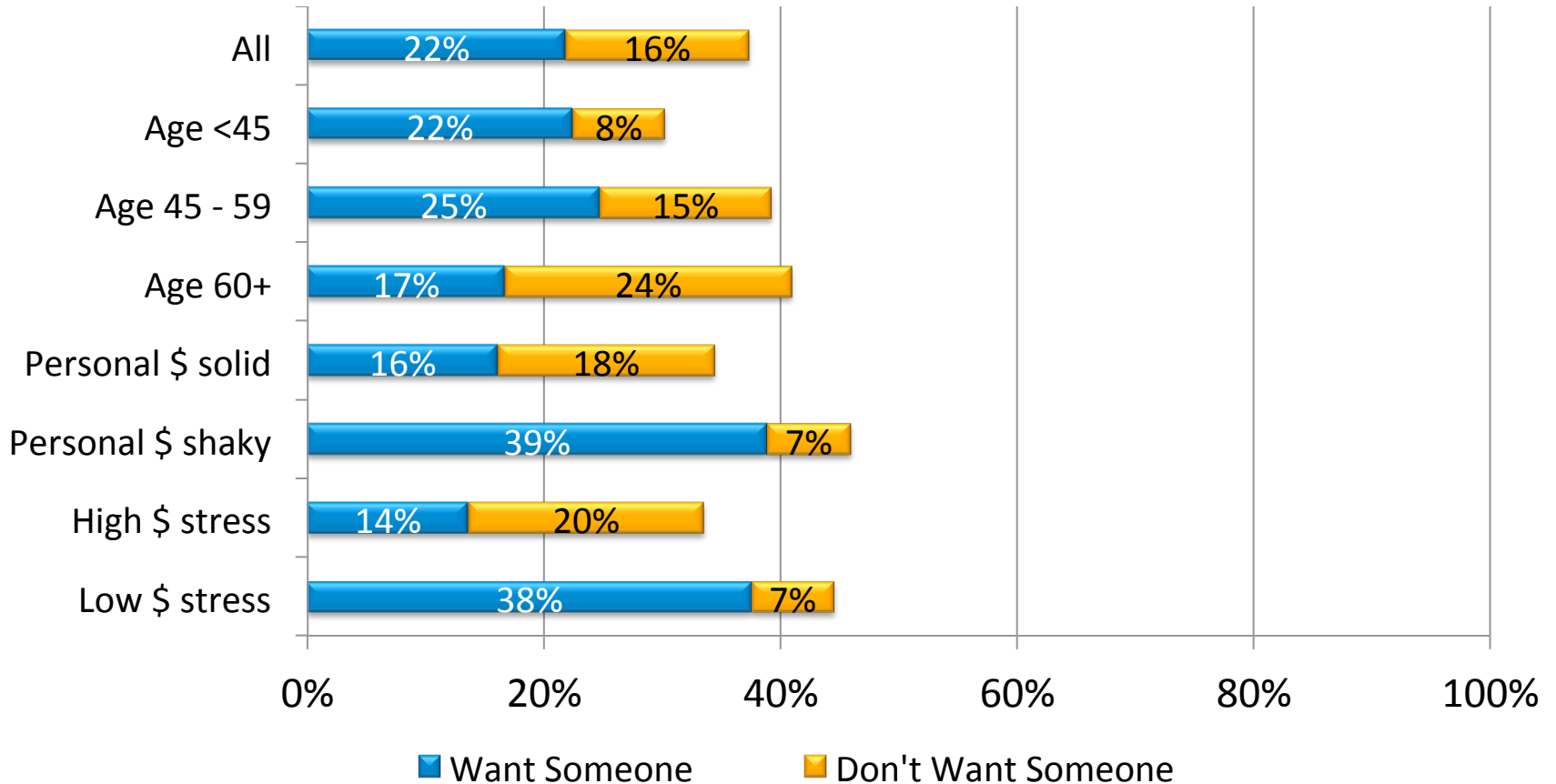
Confiding in Others

Over a third of pastors said they have no one outside their household in whom they can confide about the things that stress them financially (although not all of them wanted to have someone).



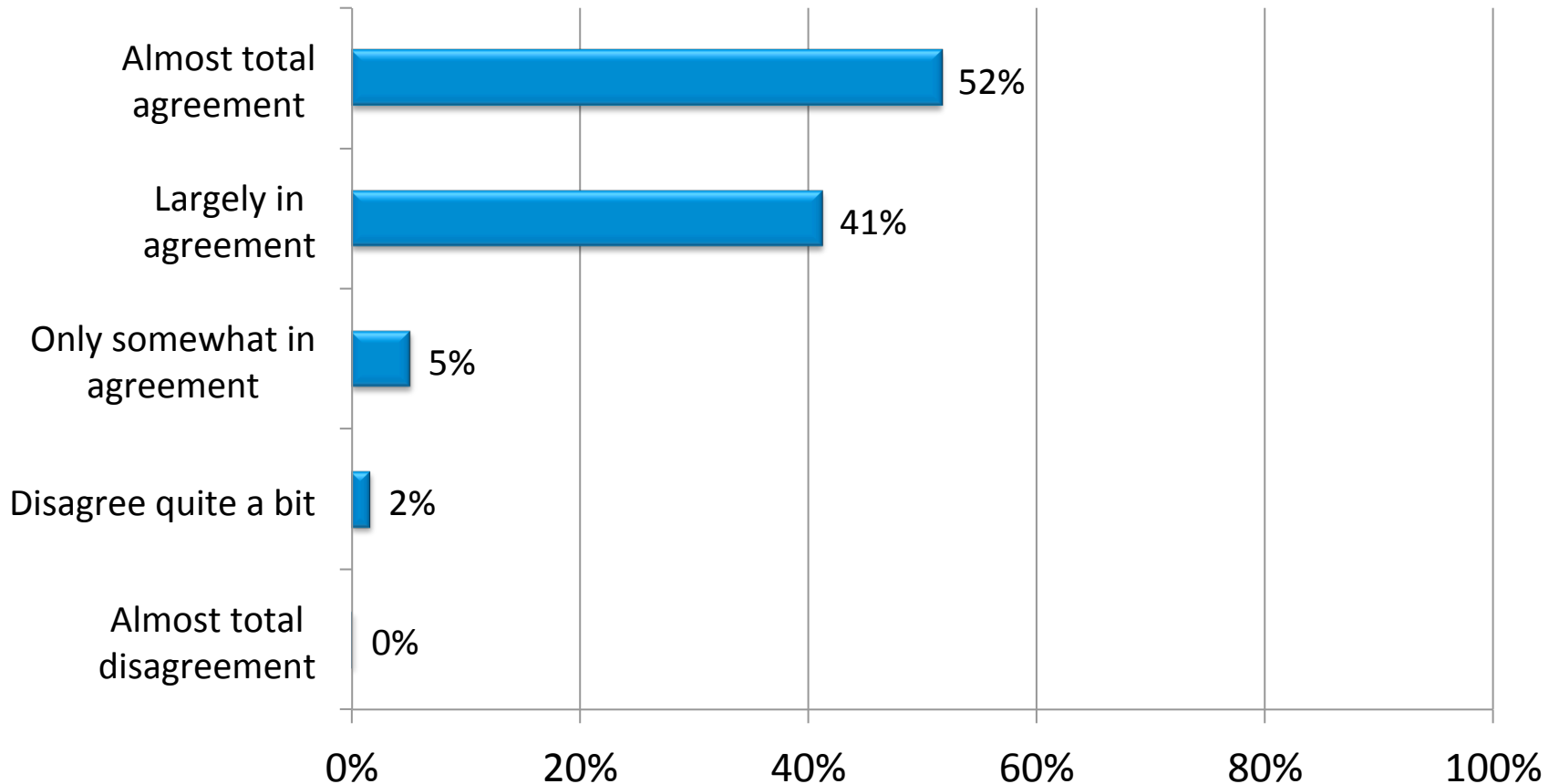
Confiding in Others

The pastors most likely to say they have no one but would value having a confidant were under age 60. Almost four out of ten with shaky personal finances and higher levels of stress have no one to talk to but would value having someone.



Spousal Agreement

Fortunately, most married pastors said they and their spouse tend to be in agreement on managing their household finances, with only 2% reporting substantial disagreement with their spouse on this subject.



Denominational Resources

Many pastors had no idea what their denomination offers in financial resources, especially for their personal situation. Lack of awareness did not vary according to church or personal financial situation, level of financial stress, or presence of debt.

