

Giving in the Church: An Analysis of Average Giving per Person

Excerpted from the book, "Before You Build", by Stephen Anderson

Do you ever wonder how your church compares in the giving department to other churches? Many churches "feel" like their members give sacrificially, but have little real objective data on which to make an evaluation or comparison. It does not help that much of the information available on giving is usually measured in the mystical terminology of a "giving unit."

Regretfully, the definition of a giving unit seems to be somewhat vague and prone to interpretation. For example: Is a nuclear family with two working and tithing adults one giving unit or two? How about two roommates who each earns income and tithes? Is this one or two giving units? Most of us would probably agree the second case is two giving units, but what about the first? The only difference is the first are (hopefully) married. If a couple write separate checks they might well be considered two giving units, but if they combine their giving into one, does doing so arbitrarily reduce your giving units by one? Cash offerings in the plate provide another challenge, as there is no way to know if the cash came from one family, five families or thirty different people. An offering envelope system can help reduce some of the variables, but not eliminate them. Comparisons or calculations based on a vague or poorly defined terminology will always be suspect at best, and meaningless at the worse.

As a church construction consultant, I have worked with a large number of churches over the past 5 plus years that were looking to build or relocate. One of the many factors I help churches analyze is financial ability. Even though many lenders will apply a formulary based on giving per giving unit, I prefer to deal in a simpler unit of measure when doing initial evaluations. Drawing upon my years of being a church treasurer, I went back to a calculation I used to monitor giving patterns that is based on a simple and effective formula: giving per person.

When initially working with churches that need to build, I always ask two very simple questions.

- 1) What is your average attendance, counting men, women and children of all ages?
- 2) What was your total income in tithes and offerings last year (or last 12 months)?

Once these two numbers are ascertained with reasonable accuracy, it is a simple process to divide the total income by the total average attendance to determine the average giving per person per year. A church with 150 average attendance and annual giving of \$165,000 would be \$1,100 per person per year.

Over the years, I became aware of what seemed to be an emerging pattern in the relationship between income and attendance. It appeared that for a significant percentage of churches, one could take their average attendance and by adding three zeros, come up with a very close approximation of their annual income. *If true, this would mean that average giving in the church was approximately \$1,000 per year for every man, woman and child in attendance.* This happened so many times I decided to put my impressions to the test. Over the years I had accumulated hard data, including giving and attendance information, from churches into a database. I exported the

information into a spreadsheet and did the simple math. I was pleased to discover that mathematical analysis confirmed my anecdotal estimate.

An analysis of nearly 200 churches, with average total attendances ranging from 9 to 2,500 persons, indicated a median giving per person per year of \$1,038.

There appears to be no significant correlation between the size of the church and giving per person. In fact, 80% of the churches that ranked in the top 10 for giving per person had attendance of less than 500 with 2 of those reporting attendance of less than 50 persons and 2 reporting 1000 or over. The average attendance of churches in the giving per person top 10 was 305, with an average income to the church per person per year (counting men, women and children of all ages) of \$2,250.

It is important to remember that averages are just that, an average. There are churches with giving per person well above the average and those that are well below. The churches in the analysis were primarily protestant evangelical churches in the eastern half of the United States. The analysis included downtown mainline churches and small independent churches in the cotton and tobacco fields of the Deep South. Economically, these churches ranged from dual income families in major metropolitan areas to financially challenged areas where unemployment or social security was the primary source of income for a significant percentage of the church.

What does this mean for your church? It is impossible to say how this information can be applied in an “across the board” fashion to all churches. One area in which this information can help is in trying to predict future financial ability in order to service construction debt as the church grows. If your average giving per person is \$1,000 per year and you can add 200 people in an expansion program, what might that do in helping you retire your construction debt? Please note, this does not in any way advocate “betting on the come”, that is, taking on too much debt in the hope you will be able to afford it at a later date!

Each church must take the information presented here, perform their own giving analysis and try to apply it to their situation. If you feel your church is above average in financial ability, but giving is less than average, you may want to consider how to better communicate the blessings of good stewardship. If you feel you are right on the mark with respect to the averages, you may decide you don't want to be an “average” church and look to bless the Lord (and your congregation) by striving for excellence in giving.

Mistakes are easy to make. For more information on how to address critical church building issues, read “*Before You Build: Practical Tips & Experienced Advice to Prepare Your Church for a Building Program*” available for [immediate free download](#).

In addition to leading his church through a building and capital stewardship campaign, Steve Anderson is a church building consultant, seminar speaker, past contributing editor for Church & Worship Technology Magazine and author of the eBook, "Before you Build": Practical Tips & Experienced Advice to Prepare Your Church for a Building Program.

To download the book, or for more information on church building and construction financing, visit www.ChurchBizOnline.com