

64 Percent of Pentecostals Say the Economy Is Impacting Their Church in a Good Way

The economic recovery has reached the offering plate, according to a study from Nashville-based LifeWay Research.

Today, 8 in 10 Protestant pastors (79 percent) say the total offerings at their church this year are at or above last year's levels, including 42 percent who say this year is ahead of last year. Few pastors (15 percent) say giving is not keeping pace with last year.

Those positive giving numbers have followed the economic upturn, said Scott McConnell, executive director of LifeWay Research.

"The increases in offerings so many churches are experiencing coincide with what most economists refer to as 'full employment,' as well as increased wage growth in 2018," McConnell said.

"Inflation has allowed Social Security recipients—likely some of the most faithful donors in many churches—to receive cost of living increases above 2 percent for two years in a row."

Some pastors are more likely to say their offerings have increased than others. Those with churches of 100 or more attendees (49 percent) are more likely to say their 2018 offerings are ahead of 2017 compared to smaller churches (36 percent).

African-American pastors (42 percent) are most likely to say their offerings are below last year.

Half of Pentecostals (54 percent) and Baptists (50 percent) say they are collecting more than 2017, while fewer

Presbyterian/Reformed (34 percent), Lutheran (33 percent) and Methodist (31 percent) pastors say the same.

Those churches who are seeing an increase may not want to bank on those continuing, said McConnell. "This could be short-lived, as wage growth adjusted for inflation has been about zero in recent months."

In the meantime, however, most pastors are meeting their budget so far this year.

Seventy-seven percent of pastors say their church's 2018 offerings have been at least what they budgeted, including 29 percent who say they've exceeded their budget. About 2 in 10 (19 percent) say giving is lower than budgeted.

Meeting budgets and bringing in additional money may grant some struggling churches additional time and opportunity to recover, said McConnell.

Economy Perception

The increase in giving has buoyed pastors' perceptions of the economy. For the first time since LifeWay Research began asking pastors economic questions in 2009, more pastors say the economy is having a positive rather than a negative impact on their church.

Today, 45 percent of pastors see the economy as benefiting their church, while 35 percent say it is having no impact.

In 2010 in the midst of the Great Recession, 80 percent of pastors said the economy was negatively affecting their church. That number has been falling steadily since then.

Last year, 35 percent said the economy had a negative impact. This year, that number fell by more than half to 14 percent.

The shift in pastors' attitudes about the economic impact on their congregation is long overdue, said McConnell.

“Most trackable forces in the economy have been positive for several years. Pastors’ perceptions are finally catching up to the economic reality,” he said.

However, some pastors are more likely than others to see the benefits for their congregation.

Half of pastors of churches with more than 100 in attendance say the economy is positively impacting their congregation, compared to 40 percent of pastors of churches with fewer than 100 attendees.

African-American pastors are almost three times as likely as white pastors to say the economy is impacting their church negatively (36 percent vs. 13 percent).

More than half of Pentecostals (64 percent) and Baptists (54 percent) say they see the economy impacting their church positively, while around a third of Lutherans (38 percent), Presbyterian/Reformed (35 percent) and Methodists (31 percent) agree.

And pastors do not foresee the recent tax reform changing things for their church. Half (49 percent) say they do not expect it to impact their congregation. A quarter (26 percent) believe it will have a positive influence, while 12 percent say they expect it to have a negative impact.

“The full impact of the tax reform on church giving will not be known until 2018 is complete,” McConnell said, “but pastors are optimistic it will not hurt their church’s finances.”
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