THE UNSTUCK CHURCH REPORT

BENCHMARKS + TRENDS IN U.S. CHURCHES

Featuring bonus insights from:

MortarStone leadr

THE UNSTUCK GROUP®

WE HELP CHURCHES GET UNSTUCK.

Q2 2022

Introduction

APRIL 2022

Every quarter, The Unstuck Group compiles all the data collected using our Vital Signs Assessment tool to monitor trends in churches in the United States and around the world. Churches that engage the **Unstuck consulting process** and subscribers to the Unstuck Learning Hub get free access to the assessment tool.

For this quarter's report, we limited the analysis to churches that completed the assessment between May 2021 and April 2022. With those requirements, 119 churches completed the full assessment for this report. The average in-person attendance of churches that participated was 498 people, and those same churches also had 565 views every week through their online services or messages. These churches ranged in size from under 100 to more than 4,500 people.

The churches that participated on average started their ministry in 1959. The oldest church that participated dates back to the early 1700s. Most of the churches are connected to a denomination, but more than a third of the churches that participated indicated they were nondenominational churches.

As I analyzed the data for this report, some churches stood out to me specifically for their healthy growth results in these key areas over the last 12 months. I reached out to them to get their insights and best practices, and I've included some of their responses throughout this report.

Read on for some of the key takeaways from the most recent assessment results in the categories of reach, connection, staffing and leadership, finances and overall health, and gain some best practice wisdom from other church leaders.

-- Tony Morgan

KEY FINDINGS

CATEGORY	THIS YEAR	LAST YEAR	DIFFERENCE
In-Person Average Weekly Attendance	498	691	-28%
Online Service Views	565	668	-15%
Baptisms per 100 Attendees	5.5	3.1	+77%
New People Added to the Church Database	708	578	+22%
Adults & Students Volunteering	47%	34%	+38%
Total General Fund Giving	$1,884K	$1,885K	0%
Total Giving Units	571	627	-9%

Ministry Reach

Churches continued to connect with more new people in the last 12 months.

Specifically, there was a 22% increase in the number of new people that churches started tracking in their database over the last year compared to the year before. On average, the number of new people added in the last year was equal to 9.3% of the total number of people in the church's database. As an example, churches that are tracking 1,000 total people in their database added the names and contact information of 93 new people in the last year.

The average in-person attendance over the previous 12 months dropped by 28%.

The average weekly attendance for the previous 12 months declined from 691 to 498. This includes the total of all people, including children.

> Parkview Christian Church (Orland Park, IL) baptized nearly 1 out of every 10 people who attend their church on an average Sunday in the last 12 months, with 250 baptisms over Easter weekend. Pastor Tim Harlow explained:
>
> "Most of the people who go public with their faith at Parkview do it because of a personal relationship with someone, or a group, who pointed them in that direction. We emphasize and celebrate baptism heavily, and present the opportunity to be baptized several weekends throughout the year."
>
> -- Tony

The number of baptisms over the last 12 months increased by almost 77% relative to attendance.

The number of people baptized equaled 5.5% of this year's average in-person attendance. That's up from close to 3% the year before. This suggests that more people are not only connecting to churches, but more people are also saying "yes" to Jesus.

The decline in attendance is no longer being offset by an increase in online service views.

The average number of online service views (one minute or more) per week has gone down more than 15% from the year before. Churches reported an average of 565 service views per week compared to 668 service views per week the year before.

Most churches offer multiple service times to reach more people.

Of the churches surveyed, 68% offered multiple weekend services across all their locations. We asked churches to include weeknight services if attendance is meant as a "weekend service" option.

One in five churches surveyed is now multisite.

On average, those churches have 3 locations, including the original location.

Ministry Reach, cont.

Of the churches that have one worship style, 69% offer “contemporary” styles of worship services.

Just 12% of churches surveyed still offer only traditional services. And 17% of churches offer multiple types of worship services. We know from previous research that declining churches are more likely to offer multiple styles of worship service—think combinations of traditional, contemporary, blended, modern and so on. In other words, the more worship styles a church offers, the more likely the church is experiencing a decline in attendance.

Children’s ministry in-person attendance is down to 16% of overall attendance.

This includes all children from newborn through fifth grade. The year-over-year decline in children’s ministry attendance was 27%. This is now on par with the decline in total attendance.

> I noticed that Victory Hill Church (Scottsville, KY) experienced an attendance increase of over 40% in the last year, and now sees one child for every three adults attend their church every Sunday. Pastor Chad Hunt explained:
>
> “We killed everything that did not speak to or appeal to our mission field, which is 25-35 year old families with children who are not familiar with faith or church. The question “Does this make sense to our mission field?” has become the new driver for how we approach our weekend experience, marketing, social media, etc. And the follow up question is always: “What’s in it for them?”

Student attendance has not declined as much as adult attendance.

Student ministry attendance for in-person gatherings dropped by 6%. Currently, the average student ministry is 8% of overall attendance. This includes all students in sixth through twelfth grades. It appears that students have been more inclined to return to in-person gatherings than adults, churches are doing better at reaching new students than adults, or it's a combination of the two.

Ministry Connection

More churches are discontinuing a membership- or partnership-type commitment.

Currently, 24% of churches do not offer membership as a connection point to the church. This is a trend we've continued to see through the years, especially as the next generation of adults continues to prioritize relational connections rather than membership in various contexts.

Home groups are the primary option churches offer to connect people into smaller gatherings beyond the weekend services.

Of the churches surveyed, 83% offer home groups as an option to connect with other people. Just 7% of churches only offer Sunday school as an option.

Small group participation has increased through the last year.

Churches are seeing 82% of their adults and students participate in a group. Participation in groups has increased by 6% in the last 12 months.

> The number of people participating in small groups at Expectation Church (Fairfax, VA) has almost doubled in the last year. When I inquired about this, Groups Director Sarah Custodio explained:
>
> "We have found the best strategy is to offer small groups in seasons. This keeps groups fresh, allows members to keep meeting new people, and helps new guests to be able to jump in without feeling like they're intruding on an already close-knit group. We also focus heavily on the leaders of our small groups and their development."

Volunteer engagement is returning to pre-pandemic levels.

In this reporting period, 47% of all adults and students served at least monthly on a volunteer team. That's up from 35% the year before.

Churches are increasing their use of email to stay connected with their congregations.

The number of people currently opted in to receive email communications (i.e., newsletters, content email lists, etc.) increased by 36% from the previous year.

> Quest Church (Grovetown, GA) more than doubled the number of new people they were tracking in their database over the last year, while also increasing attendance by 50%. Pastor John Kenney shared this with me about the correlation between the two:
>
> "We know that in order to grow, we must have more guests in a year than our average attendance for that same year. Coming out of COVID, we intentionally put some strategies in place to ensure increased attendance: seeing our online presence as a front door into our church, inviting present attendees to invite their friends and family to in-person services, and more."

Ministry Staffing & Leadership

Staffing levels remain high compared to attendance declines.

The average church employs one full-time equivalent staff person for every 34 people in attendance. This number includes all ministry and support staff. Again, we know from previous research that declining churches have significantly bigger staff teams than growing churches. The last time we collected data on this metric, declining churches employed 56% more full-time equivalent employees than growing churches.

Some Insights on Resignation & Employee Disengagement:

Here's what **Leadr** has to share about the value of prioritizing employee development:

Staffing tends to be one of the largest expenses in a church budget. On top of that, resignation and disengagement in the workplace are at record breaking, and costly numbers.

According to LinkedIn, employee disengagement costs roughly 34% of salary. That means for every $50,000 spent on salary, $17,000 is wasted.

And according to MSNBC's review of the latest federal labor statistics, resignations are still up by 23% compared to pre-pandemic levels.

But what's interesting is it's for different reasons than we saw a year ago. Our data tells us that the market is ripe with opportunity, and people are making changes to join organizations offering them better opportunities.

There is good news though. Our research also shows that team culture and individual development are primary reasons employees stay at their organizations. In a recent LinkedIn study 94% of employees say that they would stay at a company longer if it invested in their career development. When organizations prioritize the development of their people, the whole organization benefits.

Churches have a span of care of one volunteer leader for every nine people in attendance.

Leaders include adults and students who are serving in roles where they are responsible for leading a team or a group of other people (i.e. team leaders or groups leaders).

The median church board or elder team has eight members.

The largest board identified in the current reporting cycle had 106 members.

Churches generally have only a couple additional boards or committees.

The median number of additional boards or committees beyond the primary board is only two. However, one church had 63 additional committees.

Grove Church (San Diego, CA) experienced impressive growth over the last year while still maintaining a very lean staffing budget. I asked Pastor John Hoffman if this lean staffing approach changed how Grove Church approached hiring, and he said this:

"We expect every staff member to model ministry. However, we don't hire people to do ministry, we hire people to empower others to do ministry. We expect our leaders to lead teams of leaders."

Ministry Finances

Giving to churches was flat during the last year.

Churches reported on average that their total general fund giving was down less than a percent from the previous year. At the same time, the total number of giving units declined by 9% year-over-year.

Churches are near the top end of the financial investment we recommend for staff.

The average staff budget is 56% of the overall ministry budget. This includes the cost of all salaries and benefits. We recommend that churches try to keep staffing budgets between 45% and 55% of the overall budget. The Unstuck Group does not collect salary information for individual employees.

> MCI Canada (Montreal, Quebec) relies heavily on volunteer engagement and operates under a lean staffing model. When I asked how those two are connected, Executive Pastor Benjamin Carbone said:
>
> "We've realized how intentional and patient we need to be when it comes to hiring. We're slow to hire because we don't want hiring to discourage volunteer engagement. The message is clear that when someone is hired, it's as a leader of leaders."

Churches average having the equivalent of 25 weeks in cash reserves.

That's well beyond the six to eight weeks that The Unstuck Group recommends. The amount of cash reserves continues to increase and is up significantly from pre-COVID, when churches indicated they had 15 weeks in cash reserves.

Churches have very little debt.

On average, the current debt load is 0.7 times the church's total annual giving. The Unstuck Group encourages churches to keep total debt below 2.0 times annual giving.

Some Insights on Inflation for Churches:

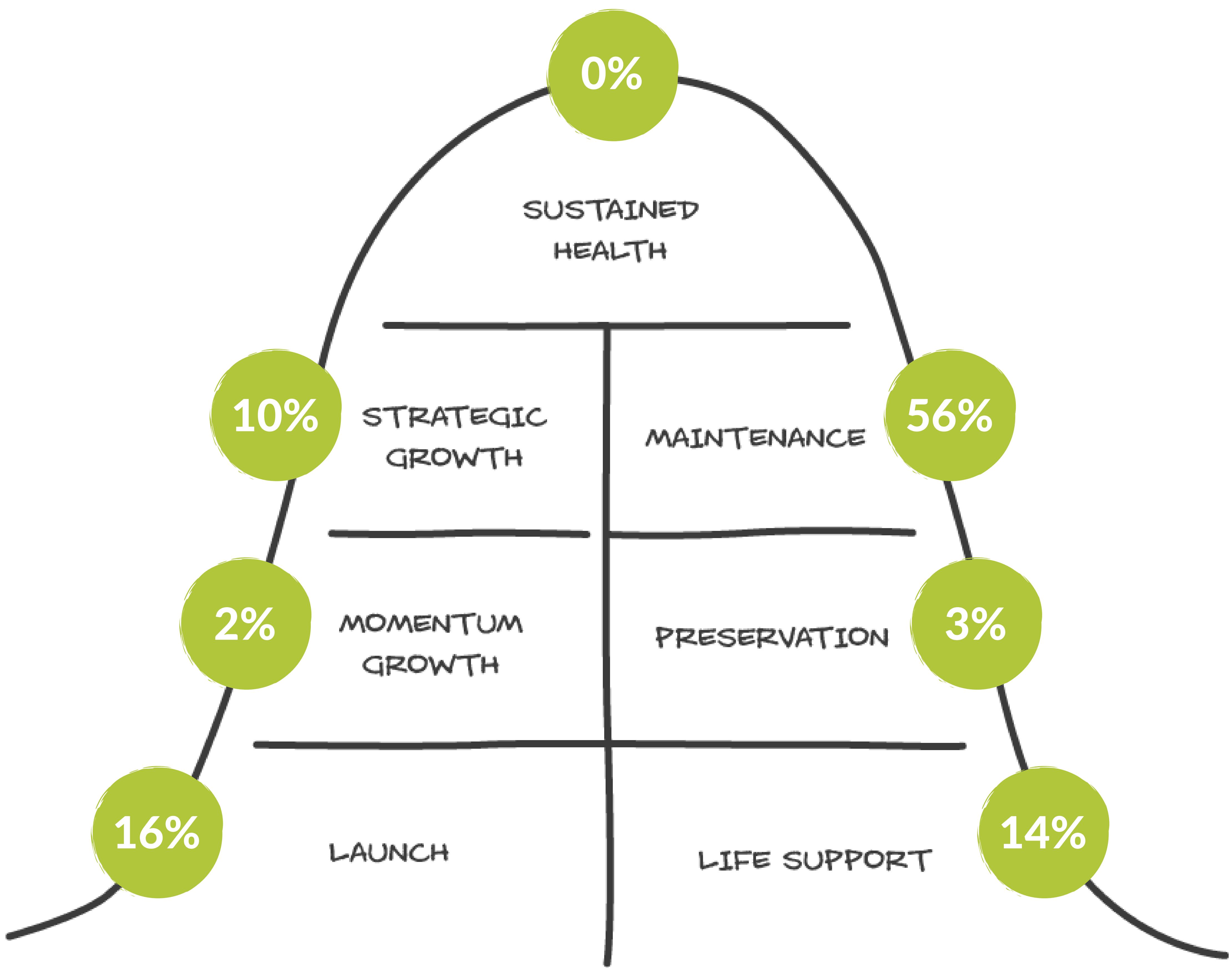
Here's what **MortarStone** has to say about how inflation is impacting churches:

On average, churches are seeing an increase in giving households within most bands. This means there are more households giving than before and during COVID, but they are giving less.

Inflation tends to hit two groups of people the hardest—young (e.g., 34 yrs old and younger) and older people living (and dependent) on a fixed income. A deeper review should also seek to understand the socioeconomic strata of your church demographics—for instance, those that 'borrow' vs. 'own' and their age. A person or family renting a house, leasing a car, and carrying credit card balances will be more heavily impacted than people who own their home or car and have savings and investments.

Low-income individuals and families of all generations spend more on housing, gas, and other essentials than wealthier families. This reduces discretionary spending and ultimately can affect giving to the church. Why? Because this segment is usually giving 'what is leftover.' Even if they are budgeted or percentage givers, their incomes will lag, thus causing a shift in priorities.

Church Lifecycle Data (Last 6 Months)



ABOUT THE UNSTUCK GROUP

Most organizations start, grow, thrive, lose momentum, decline, and eventually end. **That doesn't have to be your church's story.**

The Unstuck Group helps pastors grow healthy churches by guiding them through experiences to align vision, strategy, team and action. Our core services include ministry health assessments, strategic planning, staffing and structure reviews and multisite and merger planning. Learn more by visiting theunstuckgroup.com.

Over the last 11 years, we've worked alongside and built relationships with the leadership teams at 500+ churches. Our goal is to help you lead a thriving church that continually reaches new people and helps them take next steps towards Christ.

>>> **Interested in learning more? Let's talk**.

ABOUT MORTARSTONE

Over 2000 churches rely on MortarStone's advanced generosity analytics to increase funding and church attendance. With intelligently designed reporting features and experienced generosity strategies, MortarStone has helped to surface over $20 billion in ministry funding. MortarStone gives you the knowledge you need to engage givers and build relationships for the Kingdom.

>>> **Interested in learning more? Click here**.

ABOUT LEADR

Leadr is the first people development software designed specifically to develop leaders at every level of your organization. Existing people development solutions are static and cumbersome, built for compliance, rather than employee development. Leadr helps every manager become a coach, leading to consistent, whole employee growth, all managed in one simple and intuitive place.

>>> **Interested in learning more? Click here**.

For more information related to this survey and the summary of the learnings, contact:

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