

THE UNSTUCK CHURCH REPORT

BENCHMARKS + TRENDS IN U.S. CHURCHES

Sponsored by:



THE UNSTUCK GROUP[®]
— WE HELP CHURCHES GET UNSTUCK. —

Q3 2023

Introduction

AUGUST 2023

Every quarter, The Unstuck Group compiles all the data we've collected to monitor trends in churches in the United States. For this quarter's report, we only included churches that provided data between July 14 and August 2, 2023. **This provides a very current snapshot of ministries of all shapes and sizes.**

We received survey responses from 288 churches that ranged in size from under 100 to over 8,000 in physical attendance for worship gatherings. The average in-person attendance of churches that participated was 623 people.

Thanks to the number of church leaders responding to the survey, we are able to continue to include in this quarter's report the summary by church size. As you'll see in that table, the data points to several areas where there is little to no difference between small and large churches. Examples include the number of churches offering online options, kids ministry attendance and the staffing budget percentage. On the other hand, there are some areas where there seems to be a disparity between small and large churches, including decisions to follow Jesus, the pace of attendance growth, the style of worship and the use of multisite strategy.

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

KEY FINDINGS

CATEGORY	THIS YEAR	LAST YEAR	DIFFERENCE
In-Person Average Weekly Attendance	623	510	+22%
Online Service Views	191	205	-6%
Decisions to Follow Jesus per 100 Attendees	9.5	10.2	-11%
Adults & Students Volunteering	34%	37%	
Adults & Students in Small Groups	47%	51%	
Per Capita Giving (Excluding Kids)	\$59	\$62	-4%

First, let's talk about the overarching trends for churches...

I know I'm a little bit weird when it comes to studying trends in churches. Some people gravitate to numbers and spreadsheets. Apparently, I'm one of those people. In fact, I'm such a numbers guy that I took advanced math courses in college just so that I could avoid taking any science classes. Biology and chemistry were not my thing.

At The Unstuck Group, we learned long ago that if you measure and monitor the right numbers, it'll help you make better decisions. A data point by itself doesn't tell you much, but that data point tracked over time and compared to other metrics can begin to tell a story.

This is the story that I'm seeing based on this quarter's Unstuck Church Report and the conversations I've been having almost daily with pastors and church leaders:

- People are meeting Jesus. I'm very encouraged by the number of people who made decisions to follow Jesus by indicating salvation or baptism in the last year. On average, a church with 1,000 people in attendance celebrated 100 people crossing the line of faith! That's a huge win.
- Church attendance has largely recovered, but church engagement is still lagging. People have come back for Sunday services, but they still are not connecting with other people in groups and on serving teams.
- That may be why churches are investing heavily in staffing. Churches are more likely to be over-staffed right now. Are churches hiring more people because fewer people are volunteering? If churches hire more people, will people be less likely to volunteer?
- Churches, for the most part, continue to remain in a healthy financial position. On average, churches have more than enough cash reserves and very little debt. It seems that there is financial margin for churches to begin making some bold moves to accomplish the Gospel mission.
- Nearly half of the churches who have taken our Unstuck Church Assessment in the last year self-identified that they are in the "maintenance" phase of the church life cycle. That's way too many churches.

There's a lot more that we will cover in this quarter's report, but I hope you find this summary both encouraging and challenging. Please take the time to celebrate what God is doing through your ministry, especially for those new people who meet and begin to follow Jesus. But be challenged as well. Talk with your leadership team about where there are opportunities for improvement. Then build an action plan to make it happen.

Hopefully, this report will continue to help you track the right data over time so that you can make better decisions and move forward with God's mission for your church.



A handwritten signature in black ink, appearing to read 'Tony Morgan', written in a cursive style.

Tony Morgan
Founder & Lead Strategist of The Unstuck Group

Ministry Reach

Churches are connecting with new people.

Specifically, there was a 4% increase in the number of new people that churches started tracking in their database over the last year compared to the year before. For example, a church averaging 1,000 people in attendance added the names and contact information of 210 new people in the last year.

The average in-person attendance over the previous 12 months increased by 22%.

The average weekly attendance for the last 12 months increased from 510 people to 623. This is the total of all people, including children.

The percentage of people making decisions to follow Jesus over the last 12 months decreased by 11%.

The number of people who made decisions to follow Jesus by indicating salvation, baptism, etc., equaled 10% of this year's average in-person attendance.

Engagement with online services continues to decline.

The average number of online service views (one minute or more) per week has decreased by 6% from the year before. Churches reported an average of 191 service views per week compared to 205 service views per week the year before.

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"The fact that the decline in online service views is starting to slow is likely a confirmation that most people who were watching online have now returned to in-person attendance. My hope is that these numbers will begin to move in a positive direction because we know that online services tend to be an initial step for people who attend in-person gatherings for the first time."

-- Tony

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The majority of large churches are now multisite.

54% of churches that average 1,000 or more people in attendance are now multisite. On average, those large churches have three locations, including the original location. This, of course, is one area where there is a disparity between large and small churches, as should be expected.

Ministry Reach, cont.

Fewer churches offer traditional worship, with nearly two-thirds of churches only offering “modern/contemporary” styles of worship services.

We know from current research that declining churches are more likely to provide multiple worship service styles—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 at 18% of overall attendance.

This includes all children from newborn through fifth grade. The year-over-year increase in children’s ministry attendance was 16%.

The average church has eight students for every 100 people attending weekly gatherings.

Student ministry attendance for in-person gatherings increased by 12%. This includes all students in sixth through 12th grades.

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"This is an interesting shift. Both children’s ministry and student ministry attendance growth are now lagging behind adult worship attendance growth. We didn’t see this in the early months following the pandemic. At that point, it seemed that more younger families with kids and students were returning to in-person gatherings compared to adults without kids."

-- Tony

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Insights from Darren Key (CFP), CEO of [Christian Financial Resources](#):



Christian Financial Resources has a dozen team members speaking and serving in churches across America. Our team can confirm the results of this survey: we have seen many churches increase in-person attendance post-COVID, decrease online attendance and grow their cash reserves. I’m encouraged to see so many churches shining as beacons of light in their communities.

Ministry Connection

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

In fact, 55% of churches surveyed *only* offer home groups rather than providing an option for Sunday school or other midweek group gatherings.

The percentage of group engagement has declined over the last year.

Churches are now seeing 47% of their adults and students participate in a group, which is down from 51% a year ago. So even though the total number of people participating in groups is going up, it's not keeping up with the pace of attendance growth.

Volunteer engagement has continued to stall.

Before the pandemic, The Unstuck Group would typically see 45% to 50% of all adults and students serving at least monthly on a volunteer team. Currently, churches are reporting only 34% are serving, down slightly from 37% a year ago.

Churches have a span of care of one volunteer leader for every 17 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 group leaders). Best-practice churches often have about one volunteer leader for every five people in attendance.

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"It feels as if we're starting from scratch when it comes to engagement in groups and serving. Churches have largely been able to recover when it comes to attendance at in-person worship gatherings. On the other hand, many people still have not reconnected to a group or a serving team. If 2021 and 2022 were about getting people to come back to church, 2023 needs to be about reconnecting people to other people."

-- Tony

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Ministry Staffing & Structure

Staffing levels remain high compared to attendance.

The average church employs one full-time equivalent (FTE) staff person for every 53 attendees. This number includes all ministry and support staff. By comparison, The Unstuck Group recommends one FTE for every 75 people in attendance.

The median church board or elder team has seven members.

The average is higher at nine, with a few very large boards impacting that average. As an example, the largest board identified in the current reporting cycle had 65 members.

Churches generally have three additional boards or committees.

Large churches have fewer boards and committees. One church in this reporting cycle reported having one board and 26 additional committees.

Staffing Insights from [Christian Financial Resources](#):

Christian Financial Resources strongly recommends churches keep staff expenses below 50% of their actual income (not their budget). One way to do this is using the conservative percentages below plus setting aside at-risk/performance-based money:

- 35 - 50% Staffing
- 10 - 20% Missions
- 10 - 20% Programming
- 20 - 45% Administration (debt, facilities, insurance, office, etc.)

Staffing for growth may put staffing expenses slightly higher than the 50% mark, which should even out as the church grows. However, staff reductions could be required if the necessary growth doesn't happen. So, plan accordingly and consider the impact additional employees will make in the first year and for years to come.

Being conservative with your staffing also creates opportunities for your members to become involved in ministry. Churches who do that encourage spiritual growth and maturity.

Ministry Finances

Giving to churches has increased slightly in the last 12 months.

Churches reported on average that their total general fund giving was up 4.4% from the previous year.

“Clearly, attendance growth is far outpacing the growth in giving. That’s also reflected in the average per capita giving for churches. Currently, per capita giving is \$59 per person per week (not including children’s attendance), which is down from \$62 per person per week last year.”

-- Tony

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Churches are investing more than half of their ministry budget into ministry 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.

Churches, on average, have the equivalent of almost six months in cash reserves.

This number is well beyond the two to three months 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 closer to three months in cash reserves.

Churches have very little debt.

On average, the current debt load is 0.8 times the church’s total annual giving. The Unstuck Group encourages churches to keep total debt below 2.0 times annual giving.

Finance Insight from [Christian Financial Resources](#):

For most churches, the largest expense of the budget is paying staff. So, it's critical to understand the fluctuations in your church's income and expenses throughout the year. Knowing this information helps your leadership plan for seasons of decreased giving, ensuring that your employees get paid on time.

CFR encourages churches to keep a minimum of 13 weeks' cash on hand. I explain more in my article, "[The One Financial Number Every Church Leader Needs to Know](#)." Many church closures are caused by churches running out of cash. Ideally, CFR recommends keeping four weeks of expenses in your checking account and the remainder in savings.

For ministries carrying more than 13 weeks' cash on hand, an easy way to maximize your return is by laddering your investments. I talk more about this in my article "[Climb the Ladder to Higher Returns](#)."

Ministry Finances, cont.

Debt Insights from [Christian Financial Resources](#):

Not too long ago, interest rates were much lower for commercial lending. However, rates have quickly climbed in the last 12 months. As a result, ministry leaders should seriously consider the impact of taking on new debt. An alternative to new debt would be starting a capital campaign this fall.

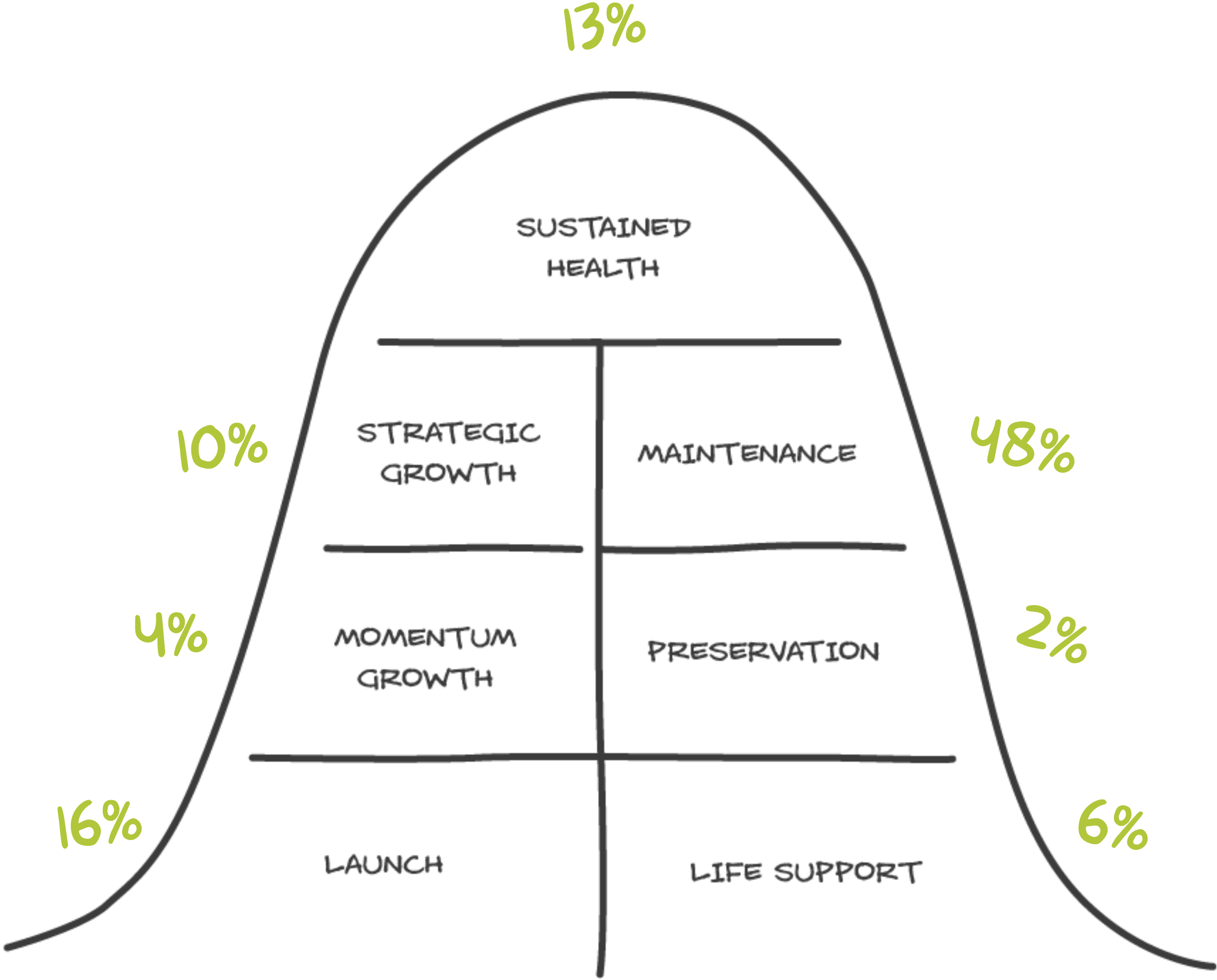
That approach empowers a church to pay off existing debt or use the new funding to save for future projects. Then, when lending rates and material costs come down, the church's stewardship will result in increased financial strength.

If your ministry could benefit from a campaign, please scan to learn more:



Church Lifecycle Data

(Last 12 Months)



Summary by Church Size

CATEGORY	<200	200-499	500-999	1000+	ALL CHURCHES
Church Demographics					
Non-Denominational	31%	35%	33%	57%	37%
Year Started	1950	1962	1964	1970	1961
Board Members	8	9	9	8	9
Committees	5	2	2	2	3
Offering Only Modern/Contemporary Style of Worship	47%	62%	71%	86%	64%
Offering Online Services	94%	99%	100%	96%	98%
Multisite Churches	2%	6%	16%	54%	14%
Reach					
Decisions to Follow Jesus as a Percentage of Attendance	9%	8%	7%	11%	9%
Change in Total Contacts Compared to Last Year	8%	7%	4%	3%	4%
Total Contacts to Attendance	4.9	4.3	4.6	5.8	5.0
Attendance Increase from Last Year	13%	18%	18%	27%	22%
Kids as a Percentage of Attendance	16%	18%	17%	18%	18%
Students as a Percentage of Attendance	11%	9%	10%	6%	8%
Online Views Change from Last Year	-19%	-9%	-15%	8%	-6%
Online Views as a Percentage of Attendance	30%	35%	39%	30%	33%
Staffing & Finances					
Attendees Per Full-Time Equivalent Staff Person	35	42	47	69	53
Staff Budget Percentage	55%	55%	59%	55%	56%
Weekly Per Capita Giving (Not Including Kids)	\$64	\$62	\$61	\$43	\$59
Giving Increase from Last Year	1.1%	5.2%	5.7%	3.1%	4.4%
Debt to Annual Giving Ratio	0.8	1.0	0.7	0.9	0.8
Months of Cash Reserves	6.7	5.7	5.4	6.1	5.7
Next Steps					
Volunteers as a Percentage of Attendance	42%	46%	35%	27%	34%
Attendees Per Volunteer Leader	11	13	13	24	17
Group Participants as a Percentage of Attendance	43%	55%	51%	41%	47%
Offering Only Home Groups (No Sunday School)	45%	53%	55%	71%	55%

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 600+ 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.](#)

This report was also made possible by the generous support of Christian Financial Resources:

ABOUT CHRISTIAN FINANCIAL RESOURCES

Since 1980, Christian Financial Resources (CFR) has financed more than 950 ministry projects for independent churches in the United States. As your church grows, CFR is equipped to support your vision and your ministry with financial services tailored to meet the needs of independent churches —including capital campaigns, stewardship services, and loans for construction, building purchase, or real estate acquisition.

As your ministry continues to grow, consider how CFR can help your church cultivate a generosity mentality and raise more capital for your next project.

>>> Interested in learning more? [Click here.](#)

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

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