CHALLENGES FOR THE 21ST CENTURY

By Mark Chaves

This topic of challenges for Christian churches in the twenty-first century is not exactly a small one. In fact, I don't mind telling you, it is intimidatingly large, and there are many more challenges out there than we have time to consider.

I'm going to try to get a handle on this topic by focusing on four specific challenges: maintaining a membership base, securing adequate financial resources, recruiting talented clergy leaders, and finding an appropriate balance between member-serving and public-serving roles.

Many of the fundamental challenges for this century will be what they were in the previous one, and another way in which this large topic can be made more manageable is to focus on the perennial rather than search for the novel. This is not to say that nothing is new; there are always new developments, but I think it will be helpful to focus on how our contemporary situation is shaping perennial challenges.

Another sense in which this topic is too big is that the challenges faced by one sort of church are not the same as the challenges faced by another sort of church. There are more than 300,000 churches in the United States. Assessing the challenges they face is greatly complicated by the dramatic variation that exists among these congregations in size; resources; denomination; urban, suburban, or rural location; ethnicity; social class; age; and so on. All of these dramatically shape the types of challenges churches face.

To give you a feel for the range of differences, consider the variation that exists among congregations in terms of size. Most congregations are small—some 70 percent of church have fewer than 100 participating adults. The median congregation has 75 regular participants and an annual budget of $55,000. The smallness of most congregations, however, represents only half the story. The minority of large churches—those with lots of members, sizeable budgets, and multiple staff—have most of the people in them. The median churchgoer attends a church with 400 regular participants and a budget of $210,000. Just 10 percent of churches are larger than 100 adults but one-half of churchgoers attend churches with 400 or more people.

Imagine lining up all congregations from the smallest to the largest. Now start walking up this line of congregations, beginning with the smallest. When you have walked past half of all congregations, you are facing this median congregation with only 75 regular participants and a
$55,000 budget. But, even though you have walked past half of all congregations, you have now walked past only about 10 percent of all churchgoers.

Now start walking from the other end, where the largest congregations are. When you have walked past half of all people in congregations, you will be facing a church with 400 regular participants and a budget of $210,000, but you will have walked past only 10 percent of all congregations. The largest 10 percent of congregations have about half of all churchgoers in them.

This is what I mean by saying: Although most congregations are small, most people are associated with medium-to-large congregations.

**Maintaining A Membership Base**

This same characteristic holds for other aspects of congregational life. Forty percent of congregations have no full-time staff, but those churches contain only 15 percent of churchgoers. A quarter of churches—1 in 4—have no paid staff at all, but only 7 percent of the people are in those churches. At the other end of the scale, only 25 percent of congregations have more than one full-time staff person, but 65 percent of the people are in those congregations.

Clearly, size and resources affect virtually every aspect of congregational life, and congregations with no paid staff face challenges qualitatively different from those faced by congregations with more than one full-time staff person. More generally, the situation of the average church is not the same as the situation of the average churchgoer. This has an important implication for recruiting clergy leadership.

Having recognized this variation and complexity, I am nevertheless going to plunge ahead and try to describe challenges that I think face a very large number of congregations, if not all congregations, and certainly not all congregations in exactly the same way.

Getting the people in the door, and keeping them there once they’re inside, is not, of course, a new challenge. However, certain recent developments have, I think, given us a new perspective on certain dimensions of this perennial challenge.

First, some basic facts: Conventional religious belief remains very high in the United States. More than 90 percent of Americans believe in some sort of higher power, more than 60 percent have no doubts about God’s existence, almost 80 percent believe in miracles, 70 percent believe in heaven, and almost 60 percent believe in hell.

But stable high levels of religious belief do not guarantee stable trends in participation, and it seems that church attendance, as well as other forms of religious participation, have declined over the last several decades. One study, drawing on time-use diaries completed by individuals, found that weekly religious service attendance has declined continuously from about 40 percent in 1965 to about 25 percent in the 1990s.

These facts, I suspect, will not be surprising to many of you, but I want to highlight two aspects of this reality that I think change the conventional wisdom about the challenge of getting people to church.

Some of you probably know Robert Putnam’s recent monumental book on civic engagement in the United States, *Bowling Alone*. Putnam has shown that virtually every kind of civic engagement has declined in recent decades: voting; newspaper reading; TV news watching; attending a political meeting; petition signing; running for public office; attending any public meeting; serving as an officer or committee member in any local club or organization; writing a letter to the editor; participating in a local meeting of a national organization; socializing informally with friends, relatives, or neighbors; attending a club meeting; joining a union; entertaining friends at home; participating in a picnic; eating the evening meal with the whole family; going out to bars, nightclubs, discos, or taverns; playing cards; sending greeting cards; attending parties; playing sports; donating money as a percentage of income; working on a community project; giving blood. And that’s just a partial list.

The similarity between religious involvement and other types of associational activity is deeper than the trend lines. The generational patterns producing the trends are also similar. Recent generations attend church at lower rates than did previous generations when they were the same age, and this pattern also holds across a strikingly wide range of activities. Declining participation in all sorts of voluntary associations, including religious ones, is not occurring so much because individual people have become less involved over the last three or four decades.

Rather, more recently born cohorts of individuals do less of this activity than older cohorts, and those born earlier are inexorably leaving the scene, being replaced by less civically engaged recent generations. Even if not a single individual changes his or her behavior over time, it still is possible for widespread social change to occur via generational turnover, and this seems to be largely what is happening with civic engagement in general, and with religious participation in particular.

So, church attendance is declining, but so are dozens of other kinds of civic engagement. Declines in church attendance are mainly produced by a generational changing of the guard, but so are declines in many other institutional arenas. Religious involvement, it seems, is a special case of something much more general—civic engagement—and such a broad phenomenon is unlikely to be caused by anything idiosyncratic about just one manifestation of it. The breadth of the decline in
civic engagement strongly suggests that declining religious involve-
ment—the roots of which largely lie in generational turnover—is unlikely
to be fundamentally caused, or cured, by developments specific to relig-
ion. Many churches may well be having trouble attracting young peo-
ple, but so are all other voluntary and membership organizations.

Efforts directed at meeting the challenge of maintaining a membership
base for churches would, I think, benefit from appreciating this larger
context. Without appreciating this context we risk misdiagnosing
the problem and therefore misdirecting efforts at a solution. Looking for
root causes or solutions to membership problems only within the religious
sphere is somewhat akin to the man who, faced with a flooded
basement, looks for the leak in his own pipes, not realizing that the wa-
ter main has broken and every house on the block is flooded.

Another observation concerns variation across religious groups in
these trends, in particular on the different fortunes of evangelical and
mainline Protestants. It is well-known that evangelical or conservative
Protestant denominations have grown in recent decades while mainline
and more liberal denominations have declined.

While the percentage of Americans claiming mainline affiliation
has declined from 57 percent in the early 1970s to 47 percent in the late
1990s, conservative Protestant denominations have grown from 43 per-
cent to 53 percent in the same period. This trend is well-known, but I
think the reasons for these various fortunes are not so well known.
These shifting fortunes commonly are attributed to people fleeing
mainline denominations for the warmer confines of evangelical
churches, but this is not what is going on.

The main cause of this trend is differential birth rates, not switch-
ing. Throughout the twentieth century, women affiliated with conserva-
tive Protestant denominations have more children than women affiliated
with mainline Protestant denominations, and this accounts for as much
as 80 percent of the difference between mainline and evangelical mem-
bership trends.

Birth rates are the main story, but they’re not the whole story. Reli-
gious switching is relevant, but not in the way many people think. The
most important trend in religious switching is that conservative denom-
inations lose fewer people to mainline denominations than they used to,
probably because upward social mobility no longer prompts
"upgrading" from being, say, Baptist, to being Presbyterian or Episco-
palian. Evangelical denominations and congregations have become
firmly middle class. As their congregations advance into the middle
class, Evangelical churches also lose fewer of their people to secularity
than do mainline churches.

So, conservative Protestant denominations have indeed been doing
better than mainline and liberal denominations in recent decades, but not
because many people have switched from one to the other. The main
dynamic is demographic, and this fact has implications for both mainline
and evangelical congregations as they try to meet the challenge of main-
taining membership. For the mainline churches, evangelical competi-
tors should not be the primary concern. The most important membership
challenge arises from low fertility rates; a secondary concern is losing
people to secularity. Losing people to evangelicalism is not really much
of a factor.

Evangelicals, on the other hand, ought not be complacent because
of their current advantage. Their birth rates, though still higher than the
mainline, are declining, and the rate at which evangelicals lose people to
secularity, though still lower than for the mainline, is increasing. Both
mainline and evangelical congregations face primarily demographic
challenges to their membership base in the coming years.

Securing Adequate Financial Resources

The vast majority of every congregation’s income comes from indi-
vidual giving. Three-quarters of congregations receive at least 90 per-
cent of their income from individual donations, and about 80 percent of
all the money going to religious congregations is from individuals.

Moreover, although some congregations hold very substantial en-
dowments, the well-endowed congregation is a rarity. The median con-
gregation has only about $1000 in a savings account, and even the me-
dian person’s much larger congregation has savings only of $20,000.
Only 5 percent of congregations have endowments or savings that total
twice their annual operating budget; only 11 percent of churches have a
one-year cushion.

Clearly, the well-endowed church is a typical. Some congregations
hold significant wealth, but the vast majority operate on the money
raised each year, and raising and managing money is a perennial chal-
lenge for the vast majority of churches. Indeed, the most common issues
around which congregations seek help from their denominations or any
other outside consultants are financial ones. I think I’m probably on safe
ground in predicting that securing adequate financial resources will re-
main an important challenge for many churches in the 21st century.
There are three pertinent observations to make.

First, a financial crisis may be an involvement crisis. Although reli-
gious giving as a percentage of income has declined over time, real per
per capita religious giving among church members has increased. Religious
giving among people in churches has actually outpaced inflation. This is
very telling. Among those who are in churches, absolute levels of giving
have not declined; they have in fact increased in recent decades. Those who remain in congregations are as generous as ever, perhaps more so, probably because people remaining in congregations give more in order to maintain programming at a certain level. 

The same people who commit most time to an organization also give the most money to it.

But there's a broader lesson here: Financial giving is almost always part of a broader involvement. This is as true among the wealthy as among the non-wealthy, and it is true for secular giving as well as for religious giving.

Giving is an aspect of—not a substitute for—involvedness, and it probably should never be considered in isolation. In churches that have seen membership decline in conjunction with stable or even increased giving from those who remain, labeling the situation a financial crisis perhaps represents a misdiagnosis. This is why I say that what looks at first glance like a church's—or, for that matter, a denomination's—financial crisis may be better understood as an involvement crisis. It seems likely that financial stress often is a symptom of something more fundamental.

Second, differences in giving levels in churches should be understood as differences in institutionalized practice.

There are substantial differences across churches and across denominations in both absolute and relative levels of individual giving. Interestingly, these differences in per capita giving are generated almost entirely by the giving of the most committed members within each church. That is, the most committed Catholics give less than the most committed Presbyterians, who give less than the most committed Pentecostals. There are few substantial denominational giving differences among the bottom 80% of givers. The action, so to speak, is among the most generous givers.

Why do these variations exist? Denominational differences in giving are not reducible to demographic differences in the characteristics of people in denominations; nor are they reducible to programmatic differences among congregations. It is well-known, for example, that per capita giving to churches is lower among Catholics than among Protestants. Researchers examining this have found that differences in the demographic characteristics of members—income, education, age—explain none of the gap in giving.

Similarly, they found that Protestant-Catholic differences in member attitudes about their churches explain none of the gap. Nor do differences in the stewardship programming of churches explain the giving gaps. Other congregational characteristics—size, number of programs

offered, level of debt—explain only a small part of the gap in Protestant-Catholic giving. This is what I mean by saying that denominational differences are not reducible to individual or congregational characteristics. By the way, although I am using the Protestant-Catholic example, the same point applies to explaining giving differences among Protestant denominations.

Israelites and 10 Commandments

The only factor that explains a sizable portion of the gap between Protestant giving and Catholic giving is a theological factor: In Catholic churches where people have more "Protestant" beliefs about who can be saved and about the primary duties of Christians, giving was substantially higher. What does this mean? Not to put too fine a point on it, I take these results to mean that Catholic giving would be more like Protestant giving if only Catholics were more like Protestants.

Giving patterns are part of deeply entrenched practices and cultures that make religious traditions what they are. I'm inclined to believe that a church's giving pattern is inextricably bound up with the whole set of practices that constitute a living religious tradition. Is there an insistence on tithing or not? Is there a system of annual pledging or not? Is there an emphasis on giving a certain amount built into the religious tradition from top to bottom, or does the religious tradition consider individual giving a personal matter about which there is little to say theologically or normatively? Is the offering collected at a ritually central part of the worship service, or is it a liturgical afterthought? And so on.
These, and other, variations in practice surrounding money are, I think, fundamentally connected to the religious and institutional practices that make churches and denominations what they are. To say this another way, giving patterns are part of the institutionalized religious practices and traditions near the core of a religious identity. How a church organizes individual giving is part of what and who that church is as a religious group. Attempting to institute tithing, for example, in a church where religious giving is only one of many possible ways to express faithfulness, generosity, and altruism, risks altering the core identity of that church. From this perspective, there appear to be few, if any, nonfundamental, nontheological, noncultural, noninstitutional ways to change giving patterns. There are no quick fixes.

Cultural Giving Patterns

Let me put this point in the sharpest possible way: There appears to be no way to make Catholic or Lutheran or UCC or Presbyterian per capita giving rise to the level of Mormon or Seventh-day Adventist or Pentecostal giving without making these religious traditions into something other than what they currently are.

A third point shifts the attention away from individual giving. Although securing financial resources is a perennial challenge for congregations, there is historical variation in the typical strategies for meeting that challenge. Few rents, dues systems, sales of goods, investment income—not to mention, in an earlier day, public support through taxation—all of these, in greater or lesser degree, have been part of churches’ funding streams at different points in time.

Today, however, the most important kind of secondary income source for many congregations, after individual donations, is the sale or rent of property or space in their buildings. Although only a minority of congregations—23 percent—received 1998 income from the sale or rent of buildings or property, this is substantially more than the number receiving income from their denominations (12 percent), from foundations (4 percent), or from government (3 percent).

Also, churches that have such income receive it in amounts that are not trivial for small organizations. Thirty percent of congregations with 1998 income from the sale or rent of buildings or property received at least $5000 from this source, and 10 percent received at least $25,000 from this source. In terms of percentage of income, thirty percent of congregations receiving sale/rental income received at least 5 percent of their annual income from this source, and 15 percent received at least one tenth of their annual income from this source.

It is difficult to know whether income from the sale or rent of property has become increasingly important over time. It seems safe to say, however, that, although income from this source remains small for the majority of congregations, for a notable minority it seems to be an important way to make ends meet.

Given the earlier discussion about involvement trends, we might expect congregations to respond to today’s financial challenges by seeking to reduce their dependence on individual donations. Increased sales of a congregations’ auxiliary properties or buildings, and increased renting of congregations’ building space, seems likely. Congregations with valuable property or in desirable locations might, with this strategy, be able to sustain themselves for many years even in the face of dramatically dwindling memberships. The desirability of this sort of trajectory is, of course, another question.

Recruiting Talented Clergy

There are signs, regrettably, that the clergy pool is of declining quality. Defining “quality leadership” is, of course, difficult and controversial, and it is especially difficult for clergy because there are qualitative differences among churches around which kinds of training, skills, and personal characteristics make for high quality church leaders. Some churches value religious zeal in clergy more highly than formal education. Others value erudition more highly than fervor. Still others might rank counseling skills most highly.

That said, look at some trends. Of all individuals taking Graduate Record Examinations (GREs), for example, the number saying they are headed to seminary declined 20% during the 1980s. Moreover, the average verbal and analytical scores of those seminary students who did take the GREs declined during the 1980s, a decade in which average scores increased for everyone else. Both male and female seminary students score significantly lower than national averages on the quantitative and analytical sections of the GRE, though only male Master of Divinity students score lower than the national average on the verbal section of the test.

More generally, female seminarians consistently outperform males on the GREs, a fact that perhaps is a basis for optimism, since clergy are increasingly female. In some denominations recent cohorts of seminarians are fifty percent female, although still only 10 percent of American congregations are led by females.

Other indicators: Four percent of Phi Beta Kappa members who graduated college in the late 1940s became clergy, dropping to 2 percent for early 1970s college graduates and 1 percent for early 1980s college graduates. Eight percent of American Rhodes Scholars in the first decade of this century became clergy, dropping to 4 percent in the 1950s and 1 percent in the 1970s.

Of course, neither GRE scores nor career choices of Phi Beta Kappans and Rhodes Scholars are definitive measures of trends in the aver-
age talent level of America's clergy, and many gifted individuals continue to enter Christian ministry. Still, it is noteworthy that all of these measures, however imperfect, point in the same direction. Declining participation in congregations, along with other social changes influencing the status and authority of clergy, seem to have reduced the attractiveness, at least among the intellectual elite, of spending one's life leading a church.

The challenge of attracting quality leadership is not equally shared by all churches. There is a distributional problem. Let me explain. There's something curious about conventional wisdom on clergy shortages: Although only the Catholic Church is widely perceived to have a severe clergy shortage, Protestant congregations are in fact more likely than Catholic congregations to be without either clergy or full-time staff.

**Clergy Shortage**

Why is clergy shortage not considered a crisis within Protestantism in the same way it is within Catholicism, despite on-the-ground similarity in proportions of leaderless congregations? I think part of the answer is that, in most Protestant denominations, the total number of ordained clergy still exceeds the total number of churches even though the number of clergy working in churches consistently is lower than the total number of churches. Let me say that again: the total number of ordained clergy still exceeds the total number of churches even though the number of clergy working in churches consistently is lower than the total number of churches. The United Methodist Church, for example, reports about 36,000 churches and about 44,000 total clergy, but only 25,000 clergy serving in churches.

The same pattern is evident in many Protestant denominations. The situation is one in which, although there are sufficient numbers of ordained clergy to meet, in theory, the labor needs of churches, there are substantial numbers of churches without clergy, mainly, it is safe to say, because they are unable to provide adequate compensation or because they are located in places that many clergy do not wish to live. Many congregations are going to have trouble securing clerical leadership no matter how plentiful the overall supply of clergy might be. This is what I mean by a distribution problem.

Now, there is nothing new about this sort of inequality among congregations in the competition for clergy. Small and rural congregations have long been disadvantaged in the clergy labor market, but this disadvantage seems to be exacerbated by two recent developments.

First, the growth of two-career families further constrains clergy geographic mobility, making rural congregations less attractive than they might be if one did not have to worry about meaningful employment for a spouse. Second, the increasing number of individuals entering the ministry in mid-life, as a second career, exacerbates labor supply problems for small and rural congregations because such people often require higher salaries and are less geographically mobile than someone younger.

The main point here is that the challenges of attracting high-quality leadership are unequally distributed among congregations. The congregations facing the most daunting challenge in coming years will be those crossing a threshold below which they can no longer attract the kind of leadership they would like to have. Ecumenical agreements making it easier for congregations to share a clergy person even if the congregations are in different denominations are, in part, driven by recognition of this problem. It remains to be seen what effect such agreements might have.

A third recruitment issue is somewhat different. I noted earlier that most churches are small, but most people are in large congregations. This basic fact about congregations adds to the challenge of churches faced with recruiting new clergy. It means that most seminarians are from atypical congregations—because most people are from atypical congregations. Such seminarians are not likely to realize that the medium to large, urban or suburban congregations they grew up in are in fact a minority of all the congregations that are out there, and also probably a minority of all the clergy jobs that are out there. Many, perhaps most, of the available jobs for recent seminary graduates are going to be in congregations unlike their home churches in important ways.

**Member-Serving and Public-Serving Roles**

The fourth challenge is of a different sort: finding the appropriate balance between serving one's own members and serving a wider public. This also is a perennial concern for congregations, but it has taken a particular shape recently because of the White House initiative—sometimes called "charitable choice"—to more deeply involve religious organizations, including churches, in social services, including publicly-funded social services.

I am skeptical that this initiative will, in fact, lead to substantial increases in church-based social services, publicly-funded or not, but it might lead to some increase. In a recent survey a large minority of American congregations—about one-third—expressed willingness to apply for government money to support human service programs.

That might not seem like much, but today only 3 percent of churches do publicly-funded social services, so there does appear to be well of untapped interest among congregations for seeking government funds to support social service activities. Moreover, public education and mobilizing efforts associated with the White House initiative con-
tinue, and it remains possible, if unlikely, that these efforts will result in increased numbers of congregations receiving government funds to deliver social services.

There are at least four challenges for churches who might seek government funds in support of their human service activities.

First, churches wanting to move in this direction will need to develop the professional expertise and management systems necessary to administer grant money and publicly funded work. This is not a small thing.

Second, churches will be changed if they receive money from new sources. A church wholly dependent on individual donations is likely to behave differently than one whose income comes, say, 60 percent from donations, 30 percent from a social services contract with a state or county agency, and 10 percent from rental income. When a congregation receives a government grant or contract, it is likely to reduce somewhat its dependence on individual donors and increase its dependence on the grant or contract source. The challenge for congregations moving in this direction is to manage the consequences of this sort of shift in its resource dependencies.

Not all challenges potentially raised by the charitable choice movement will involve funding. Increased involvement in human services can present challenges even when the activity does not involve money. A Philadelphia church, for example, was supporting several Alcoholics Anonymous and other substance abuser groups when the city of Philadelphia, after cutting its own publicly-funded AA program, began having its probation and parole officers refer offenders with substance abuse problems to the church’s programs, leading to a rapid expansion of the church’s work in this area.

The consequence was that the church was overwhelmed by all the new clients and had great difficulty managing the expansion. Vandalism increased, thefts and damage to the building occurred, and volunteers who worked at the congregation complained of abusive behavior by clients. The moral is that a church-based program or effort that is very successful at one level of operation may not be equally successful when it is expanded. Bigger is not necessarily better, and expanded human service activities, with or without funding, will present new challenges for churches to manage.

Finally, if the charitable choice movement successfully increases the number of churches pursuing social service projects in collaboration with government, the more visible religious presence in our social welfare system will raise new questions concerning churches’ public accountability. Churches moving in this direction will have the dual challenge of, on the one hand, being accountable to the public and, on the other hand, demonstrating that accountability to a wider public than they may be used to accommodating.

In 1998, only 28 percent of Americans said that they have a great deal of confidence in those who run religious organizations, down from 45 percent in 1974. It is not difficult to imagine that public confidence in religious organizations could be shaken further by only a few stories of malfeasance or substandard service by churches that receive public funds, much as televangelism suffered from its 1980s sex and money scandals. Churches that move in this direction will need to face the challenge of developing safeguards that will protect their reputations at the same time that they help ensure that public money is used for the public good.

So, I’ve focused on four major challenges facing churches in the 21st century: maintaining a membership base, securing adequate financial resources, recruiting quality clerical leadership, and finding the appropriate balance between member- and public-serving roles. These are perennial challenges, but they take different form in different eras. I’ve tried to articulate what these challenges look like today, and I wish you luck as you try to meet them in your ongoing work.

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