

The Short Side of Church Giving

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Reflecting on scripture to find new ways to engage congregations in Jesus's work

“An organization is best served by leaving the feelings of obligation to the donor”
Joshua Birkholz in Fundraising Analytics:

Many churches, and perhaps yours, act as if the only way to convince people to support a cause, specifically the church's annual budget, is to motivate based on duty and guilt. Yet, donor populations motivated in this way follow predictable, uninspired patterns of giving. Those who give regularly, the twenty percent in the 80/20 rule, give set amounts with little potential for increase while the rest of the congregation can best be described as under-giving. Annual campaigns, focused on emphasizing obligation, show no long-term results. A simple test for any church is to consider this question: Is your staff challenged to manage a too-small budget or are they challenged in how to responsibly use the vast resources put at their disposal? If the answer is a small budget, perhaps it is a good time to consider alternative methods to motivate your congregation.

A close second place to duty in ineffective approaches to motivating a congregation is using promises of wealth to inspire giving. Although the church leadership may deny this is the motive, presenting wealth and blessings as the rewards for giving is exactly that even if they are tied to God. Numerous studies show direct monetary rewards as one of the least effective forms of motivation for any pursuit (see Daniel Pink's book Drive: The Surprising Truth About What Motivates Us) and this is especially true for giving. Successful charities and nonprofits are much more effective in growing their overall income as well as the donations from existing donors with a different approach that is equally Biblical. Churches could learn from this success and apply the techniques to help people fulfill their callings to give to God's work. The approach is to simply care for the individual donor, help them understand how their donation made a difference and let them reap the joy which comes from giving to God's work.

We have a God-given desire to give and organizations which leverage the interests and passions of their donors are most successful in receiving these gifts.

An Unbalanced Focus on Malachi 3:10

Let's consider the typical church stewardship campaign triggered annually or due to an unplanned, or in some cases regular, budget shortfall:

Typical key concept #1: there is a duty to deliver a set percentage of one's income, usually 10%, on a consistent basis. This is based on tithing with Malachi 3:10 being a common reference.

Typical key concept #2: this money is actually "God's money" and does not belong to the donor thus completely negating opportunities to find any satisfaction in the giving.

Typical key concept #3: intentionally shelter church leaders from any information on who gives what. This is based on Jesus's instructions in Matthew 6 to not give publicly. It is usually justified as intending to not let donations affect relationships in the church.

Typical key concept #4: actively suppress any recognition, even private, of giving. In some cases, going so far that many churches no longer provide a year-end receipt but instead insist that the donor log into and retrieve their giving data themselves from an online system. Again, the reference seems to be to Jesus's instructions in Matthew 6.

Is it any wonder that offering plates decline?

We have to accept that people are approaching giving differently than in the past. There is a desire to be more involved and to contribute in a more significant manner.

Joshua Birkholz, Fundraising Analytics

Motivating with Duty is a Trap

Although Fundraising Analytics, a book on tracking fundraising efforts, might seem an odd source for information on motivations to give, Joshua Birkholz presents a wealth of data in conjunction with his long career in fundraising to support how and why people give. His purpose is to understand how to track the process of motivating people to donate but the information is equally helpful for understanding the actual motivations. He elaborates on duty-bound giving as a motivation and the trap it forms. Consider these excerpts from his chapter on the various motivations for giving:

"Although duty may personally motivate an individual to give, organizations generally struggle when they use this message."

"To the loyal donor, it (an appeal to give) sounds like a spoiled child saying 'you owe me dessert after my meal.'...An organization is best served by leaving the feeling of obligation to the donor. The only successful methods for increasing dollars from this

segment involves making it easier to meet these obligations. (goes on to elaborate on electronic methods that make it easier to give)”

These are interesting thoughts on duty bound givers but the real issue has to do with where they see their tithe directed. Consider this statement by Mr. Birkholz:

“Although it is expected that concepts such as the tithe are directed towards only religious organizations, many devout individuals view giving a percentage to charity in general as fulfilling this tithing requirement.”

There are three key takeaways from this:

1. Using duty as a motivator is less effective than other motivations
2. Much of your congregation considers their tithe as the total of all donations they make to a variety of organizations.
3. Organizations that better serve donors’ interests and motivations will sap away your congregation’s tithe over time, possibly to less effective, even non-faith causes.

The alternative is to consider other motivations people find for giving. These include:

- Impact of doing good
- Personal interest in a cause or project
- Loyalty
- Empathy for a need

In order to engage people on these motivations, an organization must understand the donor’s passions and interests then communicate how their gifts are meeting those desires. We are inspired to give in different ways and the desire to help the poor is no less of a calling from God than is the duty to tithe.

I recently attended the 12-week Major Gift Academy developed and presented by the Veritus Group. The course was for people who engage donors on a regular basis and focused on helping people effectively give to causes they are passionate about. Using decades of data collected from their consulting practice with nonprofits, the Veritus Group presented what works and what doesn’t in motivating people to donate to a cause. They present a solid case that:

1. People want to give
2. They are looking for a return on their investment usually in knowing they have done something good, useful, helpful, improving or more.
3. Those organizations who serve the donors’ interests receive the most consistent contributions from their donor base.
4. Donors will give more when they are shown a need and see how their donation can “pull a lever” and solve that need.

“Donors approach philanthropy in a completely different way (than they did in the past). They make decisions more thoughtfully. Their gifts follow their own intended purposes. Donors seek a return on their philanthropic investments. And they desire an increased level of personalization.”

Birkholz in Fundraising Analytics

From Harvest to Investment Mentality

Many of the tithe and giving references in the Bible refer to harvests, few people today depend on harvests instead we live in a world where money is earned and invested.

Money serves a single purpose in any society, it transfers value. We use money to trade the value of our work for daily necessities with the remainder available to invest. The reality is that we invest most of this money in things and experiences, the return being short-lived good feelings. Some we invest in savings or investments with the return being additional money, value, for future use. We also have the ability to invest money in something good, the return being the very valid, God-given joy from being part in accomplishing something good.

While a harvest story is still very useful for telling a truth, most people can relate better when we frame giving as an investment. The unfortunate aspect though is that churches tend to not accurately portray the return on that investment. Why would God produce a return in material wealth when he is very clear that riches never satisfy? (Ecclesiastics 5:10-16, Matthew 13:22, etc.) The return on this investment is the good we do which fits nicely into the amplified view of wealth taught by Jesus and very nicely presented in James 4:13-17.

He who loves money will not be satisfied with money, nor he who loves wealth with his income; this also is vanity. When goods increase, they increase who eat them, and what advantage has their owner but to see them with his eyes? Sweet is the sleep of a laborer, whether he eats little or much, but the full stomach of the rich will not let him sleep.

There is a grievous evil that I have seen under the sun: riches were kept by their owner to his hurt, and those riches were lost in a bad venture. And he is father of a son, but he has nothing in his hand. As he came from his mother's womb he shall go again, naked as he came, and shall take nothing for his toil that he may carry away in his hand. This also is a grievous evil: just as he came, so shall he go, and what gain is there to him who toils for the wind?

Ecclesiastics 5:10-16

An investment in good mentality is consistent with God's word, relatable to by a modern audience and beneficial in building lives where we feel wealthy only when we give.

As Usual, Jesus teaches a Better Way

Jesus's call to individuals to be humble in their giving is not a commandment for churches to ignore individual, private recognition of contributions to God's work.

Jesus teaches a giving spirit not based on percentages but instead on love for our fellow people and the notion that we will only truly feel wealthy when we give. Jesus's

"Beware of practicing your righteousness before other people in order to be seen by them, for then you will have no reward from your Father who is in heaven.

"Thus, when you give to the needy, sound no trumpet before you, as the hypocrites do in the synagogues and in the streets, that they may be praised by others. Truly, I say to you, they have received their reward. But when you give to the needy, do not let your left hand know what your right hand is doing, so that your giving may be in secret. And your Father who sees in secret will reward you.

Matthew 6:1-4

instructions to the rich young ruler in Matthew 19 and his teachings around the widow's donation in Luke 21 are excellent examples. Giving is a natural part of our life in Jesus's Kingdom. People, created in the image of God and especially Christians, with hearts transformed by Jesus Christ, want to give, contribute to doing great things and the feeling they receive in return is the God-given reward for giving. It is both effective and Biblical to create a church culture that rewards people for giving with a sense of accomplishing something rather than simply promising a lack of guilt or nebulous and usually not-forthcoming riches.

This is not to say we should discard Jesus's teachings on giving privately in Matthew 6:1-4. But let's put that in context, the very next passage (Matthew 6:5-15) is a similar call to pray in private yet we certainly do not use that, like we do the first passage, to ban all public prayer within the church. Giving can be recognized privately and probably without direct reference to the amount. Statements like "Mr. Smith, we really appreciate your dedication to supporting our church. You not only help us provide a church community but also have been key in our being able to develop the new prison ministry that reached over 50 inmates this year."

A church needs to choose between providing their donors with a Puritanical silence that financially constrains God's work or an invest-in-good mentality that rewards them with the joy returned for investing in God's work as he asks us to do.

Application to Church Congregations

Churches are different than charities but the people who give to them are not.

I have personally seen immediate results in increased giving when I focused on the donor, their interests and communicated the difference they made to our non-profit. At

the same time, I am alarmed at the zero communication I get from any church I have donated to. Sometimes I check my online banking just to make sure the church received my payment. If I were applying the lessons non-profits have learned to a church, I would start by presenting what we did in the church in a manner that people can see the difference giving makes. It would be focused on programs, not a financial document that looks like a business income sheet (I would, of course, provide the formal income sheet as well for accounting purposes):

- Format the budget into operating expenses and projects so the congregation could see the direct results of what their donations accomplished.
- Present programs (e.g. Sunday Services, Youth Group, Small Groups, etc.) with their expenses embedded, all salaries and administration would be included.
- Use an NPR-like approach, asking people to participate funding the basic budget Opportunity to impact in a broader sense (e.g. missions) comes after that.
- Impact projects (e.g. social work, community work, improvements, missions, new programs, etc.) would be presented as 'levers' that could be pulled if we received the funding. They would give the opportunity to do even more good.

Presenting the need is merely the first step. The key in almost all nonprofits is motivating existing donors to not just maintain their donations but to increase each year. Remember, the alternative is they give those additional funds to other charities. Studies show that without paying attention to existing donors, organizations will lose 50-60% of their giving each year and must replace it with new donors. It is easier to and more efficient to retain existing donors at their giving level. Although churches do not lose existing donor money as fast as charities, partly due to the duty aspects of their motivation, it is also much harder in a church to cultivate new donors where the potential pool is only new people entering the church. Successful non-profits help their donors achieve their need to give when they:

- recognize their gift quickly
- follow with how their gift specifically made a difference
- have regular touch points with the donor
- yearly discuss with the donor how they can make a difference next year.

Combined these aspects give the donor a strong sense of the good they have done and the nonprofit with the resources to do that good.

People wish to be communicated with in different ways and to different degrees. Being attentive to your donors' interests includes being sensitive to this. While some will relish the relationship, others will be put off. The Veritus Group maintains that only 1 out of 3 donors to non-profits wants a personal relationship with the group that engages with donors but all donors have a need for communication. This is an area where you will have to be sensitive to the unique background of a church congregation where a significant number may take offense at any acknowledgment of giving. Understand that, honor their wish to not have communication, but it should not drive how all members are communicated with.

To Value God's Work, Value Those Who Provide for It

We only feel wealthy when we give and will never feel wealthy until we give.

If we have a common belief that the purpose of the church is to provide for and do many of the good things Jesus asks for in his Kingdom, it seems odd to insist the only way to motivate support for his church is through guilt and silence. Even worse is probably motivating by promising physical riches, the earthly trap Jesus consistently presents as the thorns that separate us from him (Matthew 13). The better alternative seems to be to help people experience the joy of providing the resources God gave them to his work. Does that really sound less Biblical than duty and guilt?

Come now, you who say, "Today or tomorrow we will go into such and such a town and spend a year there and trade and make a profit"— yet you do not know what tomorrow will bring. What is your life? For you are a mist that appears for a little time and then vanishes. Instead you ought to say, "If the Lord wills, we will live and do this or that." As it is, you boast in your arrogance. All such boasting is evil. So whoever knows the right thing to do and fails to do it, for him it is sin.

James 4:13-17

The new approach values a donor, their contribution and their role in doing God's work. It could look something like this:

- Every donor who regularly gives to a reasonable level (e.g. \$500 per year) or sacrificially would regularly receive feedback on their donations.
- Quarterly or semiannually a short note or quick, private comment by a staff member would reinforce that their contribution was put to good use and had a valuable impact.
- Towards the end of the fiscal year they would receive a report of how the church spent money whether they are a members or not. A member of the staff would take the time to explain, one on one, the opportunity for the next year. "Here is the good we could do..."
- In January they would receive a short thank you note with their tax documentation.

The primary goal with this approach would be to transform away from a church culture where people feel compelled to give a minimum, set percentage to the church to one where they are motivated by joy to give more to the church and the various good causes supported. Then create a culture where people know how they are individually impacting God's work and are privately informed in the specific difference they made. Thus, they receive a return on their investment in God's work, the feeling of having contributed to something great, that exceeds the return they might feel on that money from other investments or purchases.

The joy in making a difference is greater than the joy of simply giving.

Everyone also to whom God has given wealth and possessions and power to enjoy them, and to accept his lot and rejoice in his toil—this is the gift of God. For he will not much remember the days of his life because God keeps him occupied with joy in his heart.

Ecclesiastic 5:19-20

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