

## 2008 Southern Baptist Convention Compensation Study Frequently Asked Questions

**I compared data based on budget to churches similar to my church. Then I looked at data for churches with similar attendance. The results are quite different. How do I adjust for that?**

*Use the "Customized Study" menu option. It "cuts through" many apparent differences in data and gives you data for churches most like your own in size and financial resources. It is also important to use ALL STATE CONVENTIONS when preparing a customized report. . This gives you the broadest possible database and provides the most accurate information for your church.*

**Does this compensation study have any unique values when compared to other studies?**

*There are at least five advantages to this study:*

- *It is uniquely Southern Baptist. All 12,828 responses included in the survey are for ministers and employees of SBC churches.*
- *It is free. The participating state conventions LifeWay Christian Resources, and GuideStone Financial Resources pay all costs.*
- *All reports are available on the Internet.*
- *Most compensation studies provide reports based on attendance, budget, etc. The customized report option is unique to the SBC study. This makes it possible to get compensation data based on churches most like your own by combining criteria.*
- *Every survey form received is evaluated for valid, useable data and over 20 data integrity filters are used on the data before study results are compiled.*

**How was the study conducted?**

*An electronic survey questionnaire was carefully designed by an advisory group representing Baptist state conventions, LifeWay Christian Resources, and GuideStone Financial Resources. The questionnaire was accessible via the internet from January 7 through April 15 of 2008. Each Baptist state convention promoted the study and encouraged church staff members in their state to complete the questionnaire. Paper forms were available for churches who did not have access to the internet. Completed paper forms were returned to the appropriate state convention and were entered into the electronic application. Neither the electronic nor the paper questionnaire identified the church from which the respondent came. The internet application had a significant amount of validity check built into it and all items which were critical to the reporting required a response. Processing of the data after the survey was closed included additional validation and error checking. The database was then run through a number of filters to search for data mismatches. Unless that data could be corrected, the data from that questionnaire was deleted from the study. Every effort was made to make sure every questionnaire's data was valid before it was included. Since all questionnaires were entered into the electronic application and its validity checks, the amount of "back-end" checking was reduced. In early June 2008, the data was made available on the internet through a reporting application.*

**I understand survey forms for this study are reviewed for correct data and that some forms are eliminated and that the information on some forms is changed. I'm concerned that this process is in reality changing the results. Is this true?**

*The fact that the electronic questionnaire had validity checks eliminated many errors which occurred when paper forms were used. This also caught errors and discrepancies when the respondent was on-line and could make the correction himself/herself. Thus fewer discrepancies were left for the researchers to identify and address. The fact that responses were required for the critical reporting items eliminated questionnaires with incomplete data. The data was sorted in several ways to check to be sure that responses were within the specified ranges. Data was corrected if possible. Otherwise those responses are eliminated. "Cleaning" of the data is standard procedure in all good research endeavors.*

**Can the results of the 2008 Compensation Study be compared with those from the 2006 Compensation Study?**

*Use of a different collection process could impact results. One major variable is the membership of the respondents. Comparison of the 2006 respondents with 2008 respondents on this variable revealed that the overall membership distributions for the two years are very close. It would seem that the change in methodology had minimal impact on the results. 2006 Comparisons of the 2006 and 2008 Compensation and Pay Packages for the different position revealed that the results were in line. Thus, indications are that comparisons between 2006 and 2008 information is appropriate.*

**Does the study use average attendance for Sunday School or Worship?**

*The survey form instructions said to use the higher of average Sunday School attendance or primary worship service(s) attendance.*

**Are pianists and organists included in the survey?**

*No. Surveying compensation of accompanists involves so many more variables that affect the compensation level. Doing a*

survey that can provide dependable information is extremely difficult. These kinds of variables exist for other positions as well such as part-time office personnel and custodians but the variables seem to be even greater for accompanists. For this reason it was decided to not include them in the study rather than provide information that would not be reliable for so many situations.

#### **Can you send me a printed report?**

No printed report was prepared for the SBC findings as a whole. All information is available on the internet site. You may download and print any of the reports found on the web site. A few of the participating state conventions have provided printed reports in various formats. Check with your state convention to see if they have available any printed reports.

#### **Why did you use average instead of median?**

A previous study reported the median as well as average. At that time a group of ministers and laymen reviewing the work urged using less numbers in the report to keep it as simple as possible. This we have tried to do.

When the range for church size is narrowed (into categories), we generally find median and average numbers are very close.

The customized study provides data that is most correlated to a specific church. In most cases the data available through the customized study option is of considerably more value than looking at median vs. average for the entire SBC.

#### **I want a report on churches most like mine so I select only my state when using the customized study but you suggest using all states. Why?**

With only a few exceptions, the compensation study supports evidence that the primary factor in determining compensation of church employees is the size of the church and its financial resources. Except for a couple states, the state where the church is located results in only minor differences. States with a higher cost of living generally have higher church budgets for a given number of members. By using all state conventions, you can use a much larger database of churches which may allow you to narrow the range of attendance, membership and budget in order to get a report based on churches even more like you own in size and resources. With the smaller database for only a single state convention, the ability to narrow the range of churches is limited. If you really feel comparing to churches in your state convention is preferable, it is suggested that you run a report both ways for comparison. Those states with higher statewide averages tended to have a higher ratio of larger churches included in their survey results.

#### **Does the study include compensation for Directors of Missions?**

No. The employment arrangement for Directors of Missions varies throughout the SBC. In some cases they are state convention employees. In others they are employed entirely by the local association. Some are employed to serve multiple associations. Sometimes the Director of Missions is paid by the association but receives benefits from the state convention. Sometimes the Director of Missions' pay is supplemented by the state convention or NAMB according to a certain scale. All of these differences combined are the reason Directors of Missions are not included in the study. Most state conventions have a person who works closest with Directors of Missions who may have some information regarding their average compensation.

#### **Why does the study not include ministry related expenses as part of the pay package?**

While ministry related expenses are part of what it costs a church to fund having a particular minister, those costs are never part of what the minister receives as compensation or benefits. They should never be considered part of the compensation. Ministry related expenses should never be paid as an allowance. When this is done they become taxable and tend to incorrectly be viewed by a church as part of the compensation. Ministry related expenses should be paid using an accountable reimbursement plan. The amounts for expenses should be adequate to cover what it costs to get the job done. Example: Church A has an average attendance of 200. The church budgets \$ 500 per year for the pastor's ministry travel expense and he rarely uses that much because everyone lives within a couple miles of the church and the local hospital where everyone goes is one block from the church. Church B has an average attendance of 200 but budgets \$ 6,000 per year for the pastor's ministry travel. Some members of Church B live 15 miles away and whenever members of the church are in the hospital it is usually in a city that is 75 miles from the church.

Church A and Church B both cover what it costs the pastor to get the job done through accountable reimbursement, then set his compensation and benefits without any regard to what is needed to cover ministry related expenses.

The SBC Compensation Study does not include ministry related expenses since they are NOT part of the compensation a minister receives. Determining amounts for expenses requires a different approach than determining compensation.

#### **On the customized study, is there a way to include the minister's education and years of experience?**

This could have been included. However, the more criteria you add, the more complex it becomes to run reports. One of the goals of the study is to make creating customized reports as simple as possible without sacrificing availability of the best information. Generally those ministers with more education and more years of experience gradually tend to move to the larger churches. There are notable exceptions but this is the general trend. With only a few exceptions, the compensation

*study supports the evidence that the primary factor in determining compensation of church employees is the size of the church and its financial resources. For that reason the study opted for increased simplicity by not including education and experience in the customized reports. Note that there are menu options where you can access general reports based both on education and experience of the employee.*

**I tried to run a customized study report for my church. I narrowed the ranges to get only those churches very much like ours. It turned out there were only 3 churches that matched the ranges I entered. I could not print a report – the button to print disappeared. Is this a problem with the software?**

*No, this is intentional. In the customized study, if you get less than 10 matching records, you can still run the report but you get a warning message that suggests you should broaden the ranges to get more responses. If you get 3 or less responses, the program is designed to NOT allow running a report. This is to protect confidentiality. Without this protection, one could narrow the ranges to the exact numbers for a given church and have access to the compensation of specific employees of that church. Every effort has been taken to protect confidentiality of the information.*

**OK! I've run the report and I know the averages for churches like ours. Now what should we do? Should we adjust our pastor's pay to match the averages?**

*How each church uses this information is up to each local church. This survey data is made available with complete respect for the autonomy of each church. The information can be a useful tool to help a church be more objective in its consideration of staff compensation. Many churches have viewed the information and intentionally made sure their minister's compensation is higher than average because they recognize they have an above average minister serving their church.*

**NOTE: Over the past 12 years, this study has been conducted every two years. The current data is based on 2008 compensation and benefits. If you use this data in subsequent years, be sure to increase the amounts to allow for reasonable inflation. It should also be noted that over the 14 years this study has been compiled, compensation for ministers and church has increased at a rate higher than the rate of inflation.**