

Are Your Members Free Riding?

Researchers believe that the free rider effect slows giving as attendance grows.

Is bigger always better? This is a question that arises often. Most church growth researchers would argue that though bigger is not by definition better, congregational growth can be fraught with pitfalls for the unwary.

One area where the dynamics of church growth is not readily understood by local church leaders is in the area of financial projections. The accepted custom is to assume that as a congregation grows, the financial giving of that congregation grows in a parallel fashion. This means that if a congregation increases 15% in size, the leadership of that church is likely to propose a budgetary increase of 15% as well. However, research by Peter Zaleski and Charles Zech of Villanova University suggests that as a church grows congregational members will give less due to a phenomena known as “free rider” behavior (Zaleski and Zech 1992).

Free riding is a behavior that occurs when an individual’s motivation to participate in an activity (such as giving to a church) is lessened when the benefits tend to be widespread. In other words, as a church grows in size, more members start free riding on the contributions of the larger organization. The need for personal responsibility and giving diminishes, as the larger organization is assumed to be capable of shouldering the increased costs and responsibilities.

In their study of 180 Catholic and Protestant congregations in eight states Zaleski and Zech found that as a congregation increases in size, the average per household giving level decreases proportionally. Though the giving level appears to never totally diminish in its entirety, their research does confirm that giving slows as attendance grows. Regression results computed by Zaleski and Zech suggest that in the congregations they studied that “if a congregation grew by 10%, contributions per member would fall about 25%.”

Effects of Free Riding:

	Today:	One Year Later:
Congregational Size:	100 members	110 members (10% growth)
Avg. giving per household:	\$350.00	\$ 262.50 (25% decrease)
Church Income from giving:	\$35,000.00	\$28,875.00
Difference:		\$ 6,125.00 (potential financial decrease due to growth)

The good news is that there are other factors that can offset the effect of free riding. Increasing the involvement of a member appears to increase the level of support, as does good communication and commitment to a vision. However, simply conducting business as usual while a congregation grows, will usually result in a decrease in financial resources due to the free rider effect.

REALITY IN ACTION:

Developing a shared vision for the church's future appears to be a vital link in keeping laypeople committed. Many congregations wait until they have grown to a sizable number before they develop a vision statement. Regrettably, this may be too late to offset the effects of free riding.

Programs that identify and deploy laypeople's' ministry talents may be another vital task for the growing church. Helping laypeople find their place among the many volunteer opportunities may not only offset free riding, but will emancipate your lay people as well.

In addition, a growing congregation should plan for financial increases to be of a more moderate nature than attendance increases. Oftentimes a church is enticed into building a bigger building, adding more staff, or inaugurating costly programs based upon the erroneous assumption that the growth of a congregation will be mirrored by a proportional financial growth.

Therefore, if a growing congregation will project its financial increases conservatively and not strictly proportionally, it will not only be able to stay within its budget, but also will maintain its vitality in the midst of growth.

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