

Study: Ministers paid to poach other flocks

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(PhysOrg.com) -- Members of the clergy may answer to a higher power, but new research suggests they respond to the invisible hand of the market as well. A study published in the *Journal of Labor Economics* finds that Methodist churches grant incentive pay to ministers for recruiting new parishioners—especially ones from other Methodist parishes.

“Overall, our results suggest that even in perhaps the least amenable setting, monetary incentives are observed in ways largely consistent with economic theory,” said David Yermack, an economist at New York University who performed the research with Jay Hartzell of the University of Texas, Austin and Christopher Parsons of the University of North Carolina, Chapel Hill.

Looking at data from Methodist churches in Oklahoma from 1961 to 2003, the study found that a new member brought a church an average of \$450 per year in offerings. About \$15 of that ended up in the minister’s salary. That amount is roughly equivalent to the 3 percent commission generally taken by real estate brokers. But when a minister recruited a new member from another Methodist church, the pay increase was more than twice as high—around \$33.

The finding offers an economic explanation for “sheep stealing”—a practice long lamented in many religious denominations. Sheep stealing may seem counterproductive from a religious perspective, but Yermack and his colleagues say it’s well explained by traditional [economic theory](#).

According to theory, a company (or church in this case) should offer the highest [monetary rewards](#) when its employee does his or her job in the most efficient way possible. “Recruiting other Methodists requires the least effort, because it involves little search cost or explanation of church doctrine,” the researchers write. So, economically speaking, it’s perfectly understandable that churches reward sheep stealing, even if it may seem a bit puzzling from a religious standpoint. It’s the most efficient way to grow the parish.

“Although pastors are no doubt motivated by idealism...,” the researchers conclude, “our research suggests that incremental financial incentives also impact their effort and service to parishioners.”

Perhaps this is something the Apostle Paul knew all along. In 1 Corinthians 9: 11-13 he writes, “If we have sown spiritual seed among you, is it too much if we reap a material harvest from you? If others have this right of support from you, shouldn’t we have it all the more?”

More information: Jay C. Hartzell, Christopher A. Parsons and David L. Yermack, “Is a Higher Calling Enough? Incentive Compensation in the Church.” *Journal of Labor Economics* 28:3 (July 2010).

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