HOW TO DO A SALARY STUDY IN YOUR ANNUAL CONFERENCE

GENERAL COMMISSION ON THE STATUS & ROLE OF WOMEN
THE UNITED METHODIST CHURCH

INTRODUCTION

When was the last time your Annual Conference did a salary study? Performing one can help catalyze important conversations around pay equity for your clergy. Oftentimes, people make assumptions about pay equity, including whether there is a wage gap at all. Doing a study can help create a baseline understanding to help work through these assumptions. Even when the results might not be what we hope for, they can become a great conversation starter.

Salary studies can help determine whether a wage gap exists, who is impacted by it, and what that impact looks like. When we consider that these numbers represent people and livelihoods, the impact becomes even more real. Understanding this type of work is critical and helps inform equitable planning for the future. It is part of the General Commission on the Status and Role of Women's (GCSRW) mandate to help gather data, provide recommendations, and offer guidelines for actions to eradicate discrimination across the United Methodist connection, including pay discrimination.

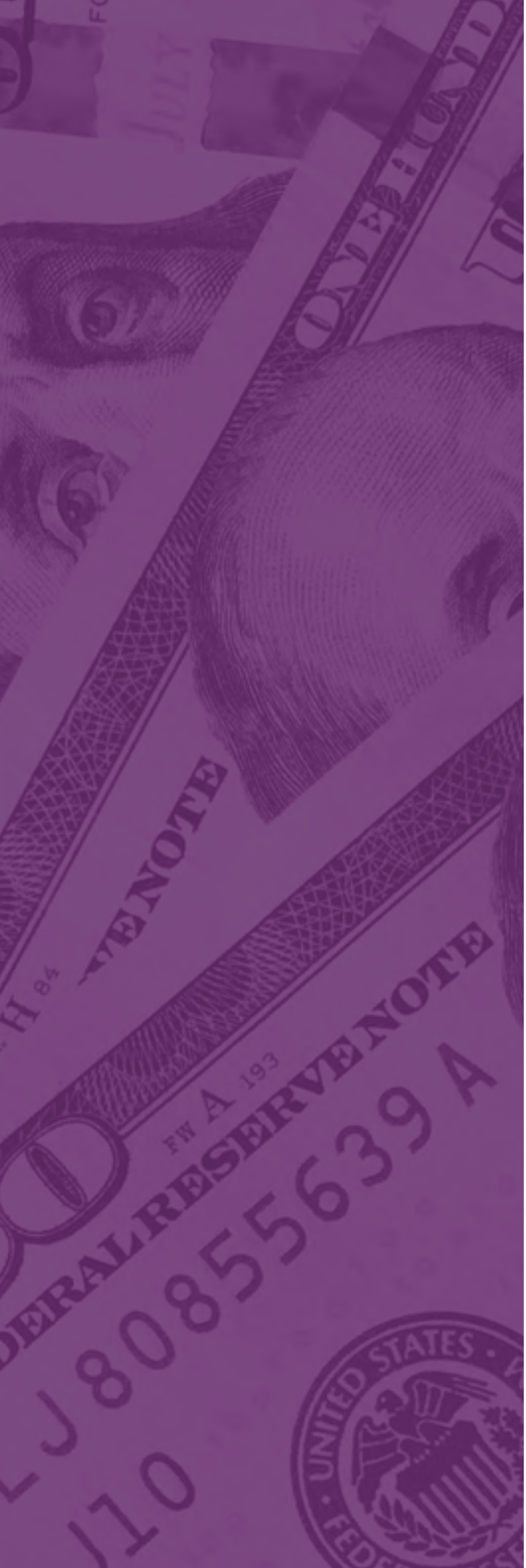
WHAT'S **YOUR WHY?**

If you are considering a salary study, you should be fully grounded in your reasoning why. Though there are numerous reasons, perhaps one or more of the below resonate with you:

In your Annual Conference, you have heard concerns that:

- MEN MAKE MORE MONEY THAN WOMEN
- PERSONS OF COLOR MAKE LESS MONEY THAN THOSE WHO ARE WHITE
- MEMBERS OF THE CABINET MAKE A MUCH LARGER SALARY THAN ANYONE ELSE
- EVEN WITH MULTI-POINT CHARGES, CERTAIN PASTORS ARE BARELY MAKING MINIMUM SALARIES
- PERSONS RECEIVING HOUSING ALLOWANCES ARE GAINING A GREATER FINANCIAL BENEFIT THAN THOSE WITH PARSONAGES

With those concerns (or others) framing the work ahead, know that conducting a salary study can help provide insights on the above and more. Once you have determined what you would like to address, you should move towards having conversations to help begin the process.



ASKING FOR A STUDY

Getting started can sometimes be the most difficult part. There are several ways to approach this request, and it may depend on the status of the information that the Annual Conference leadership holds. Some Annual Conferences will already be tracking this information in an easily accessible way. Other Annual Conferences will require effort for this type of data to be prepared in a readable format. Other Annual Conferences still may be concerned about this request and resistant to the conversation in general. What might this look like in your Annual Conference?

FOR CONFERENCE LEADERSHIP

If you are a District Superintendent, Director of Connectional Ministries, another Cabinet Member, or the Bishop, you might find people requesting this information. Being prepared for an appropriate response should be a high priority on your list. If the person requesting a study fails to receive a response or receives resistance, you may find that they might be willing to bring a petition to Annual Conference to ask for this work to be done. It is always better to be proactive and transparent instead of choosing to ignore the issue. Even if you are concerned that there may be inequities revealed in the study, harm can and will be perpetuated by choosing to do nothing.

Regardless of the format you opt to use, bringing the right people into the beginning conversations will help promote collaboration, disperse the work, and help to highlight different ideas. With the above being said, your Annual Conference Statistician should have access to salary information; it may even already be compiled in a usable format. If you do not know who that is, reach out to your District Superintendent or another person on the Cabinet. Their contact information can typically be found on your Annual Conference website and they should be able to direct you to the right person.

You may also be able to find the data in your Annual Conference Journal. There may be differences in how things are done at the Annual Conference level, so you will need to get familiar with your own local context. It may be as simple as looking closely at a finance report where this information is clearly laid out, or it may take more manual labor to compile this information. To avoid duplication of efforts, it is often more efficient to ask someone who is already familiar with this data and obtain it directly from them.

WHO TO ASK?

Asking a person on the Annual Conference leadership team to begin conversations around a Salary Study is a foundational part of the process. It may not be as simple as asking someone to provide salary information to you, and it is likely that data will need to be redacted in order to protect others' privacy. Below are a few possible ways to approach this:

1:1 CONVERSATIONS

SMALL GROUP CONVERSATIONS

PROPOSAL TO THE CABINET/CONFERENCE LEADERSHIP RESULTING IN A SPECIAL PROJECT

PETITION AT ANNUAL CONFERENCE

BUILD A TEAM

As you prepare for this work, we encourage you to bring together a team to help carry things through. Below are the participants that you may find helpful.

DISTRICT SUPERINTENDENT/DIRECTOR OF CONNECTIONAL MINISTRIES/CABINET LIAISON REPRESENTATIVE

This person either has access to the data you are seeking or knows where it can be located.

COMMITTEE ON EQUITABLE COMPENSATION REPRESENTATIVE

This committee works to ensure that clergy are fairly compensated for their work.

ANNUAL CONFERENCE COMMISSION ON THE STATUS AND ROLE OF WOMEN (AC COSROW) REPRESENTATIVE

Book of Discipline ¶ 644 entrusts this committee to gather data relating to the status and role of women in the total life of the conference.

You do not have to do this work on your own—and you shouldn't! Once you have gathered a group to assist you, you will want to be well-versed in the technical language that you will be utilizing.

DEFINITIONS

Do not be deterred by the fact that you will need to utilize numbers and spreadsheets to frame out parts of this work. While the below definitions might feel technical in nature, they will be explained again through more practical examples later in the guide.

AVERAGE

Sum of the values divided by the number of values

EQUALITY

Everyone is treated equally; the same resources and opportunities are provided

EQUITY

Each person's needs or circumstances are considered to reach an equal outcome

MEDIAN

Middle value of a group ranked in order; for an even set of numbers, the average of the middle two values

OUTLIER

Datapoint that falls significantly outside the expected normal pattern

PARITY

Numerical equity of status, pay, or position

THE DATA

In order to do this research, you will need to locate financial information relating to salaries. This may include salaries and/or housing allowances, and together those will be considered "compensation packages." While salary alone can potentially indicate wage gaps, compensation packages offer a fuller understanding of difference. Salaries, housing allowances, and/or compensation packages can be found in several places. At times, you may have to ask the person who has this data, or if you are unsure, there are appropriate people who can point you in the right direction.

For the most basic salary study, we are looking for a Compensation Package alongside gender and race/ethnicity. If a Compensation Package is not available, salary alone can be a starting point, though it does not provide a full understanding of compensation.

Note: Included below you will find basic mathematical functions. Several of these functions are already built into Microsoft Excel. You can find trainings on how to use Microsoft Excel on YouTube and other platforms.

DO THE MATH

Below, you will see an example list of compensation packages for clergy. This list has been sorted from highest to lowest, and you can see a gender identifier to the left. Your list will likely be longer than this, but this should help you get an understanding of what follows.

CLERGY COMPENSATION PACKAGES	
MALE	$50,000
MALE	$48,000
MALE	$35,000
NON-BINARY	$32,000
MALE	$30,000
FEMALE	$30,000
FEMALE	$27,500
FEMALE	$25,000
FEMALE	$20,000
FEMALE	$18,000

Note: When working through the math, you primarily have the option to calculate an average or median. Using an average will help account for the breadth of all salary values. However, when there are extreme outliers, utilizing the median may be a more accurate methodology.

AVERAGE

The average or mean is the sum of the values divided by the number of values. This is demonstrated more clearly below.

AVERAGE WAGE

To calculate an average wage for a particular group:

ADD THE VALUES OF CLERGY COMPENSATION TOGETHER,

THEN DIVIDE THAT NUMBER BY THE TOTAL NUMBER OF CLERGY.

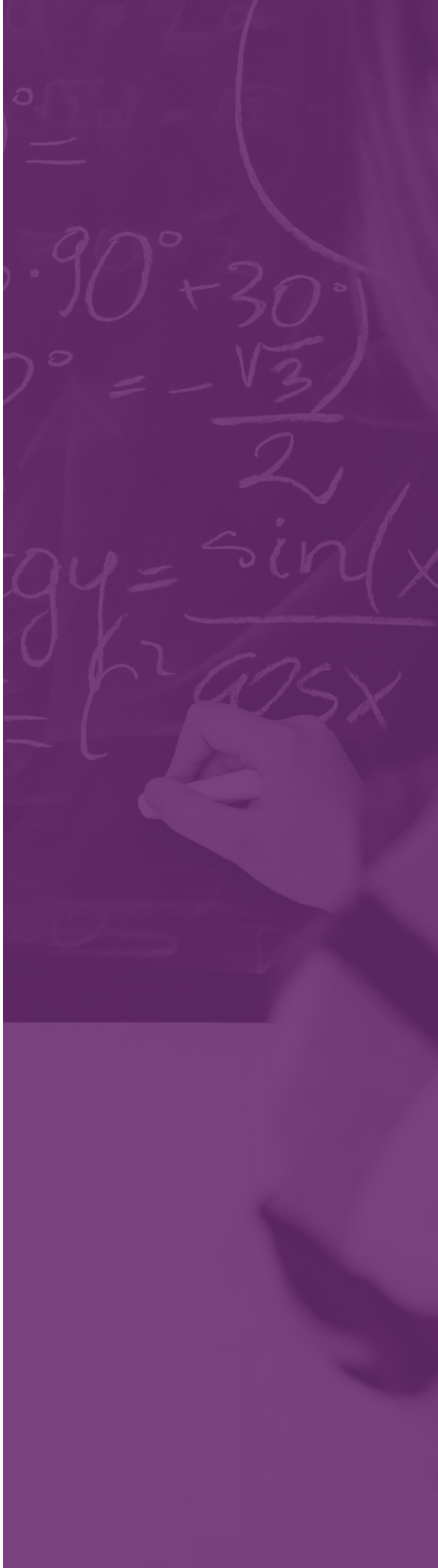
EXAMPLE

$ 50,000
$ 48,000
$ 35,000
\+ $ 30,000
$ 163,000
(Male Clergy Salaries)

$ 40,750
4 | $163,000

AVERAGE WAGE:

$40,750



WAGE GAP

To find the wage gap between each of these values, you would deduct the lower value from the higher value by dollar amount.

WAGE GAP

To find the Wage Gap for a particular group:

DEDUCT THE LOWER VALUE

FROM

THE HIGHER VALUE BY DOLLAR AMOUNT

EXAMPLE

$ 40,750
(Male Clergy Avg.)

\- $ 24,100
(Female Clergy Avg.)

$ 16,650

WAGE GAP

$16,650

***BETWEEN** Male & Female Clergy*

WAGE GAP BY PERCENTAGE

To convert this to a percentage, you would take the gap amount in dollars and divide it by the higher value in dollars. Then multiply that amount by 100. That gives you a percentage value.

WAGE GAP

To find the Wage Gap by Percentage for a particular group:

TAKE GAP AMOUNT IN DOLLARS

DIVIDE BY:

THE HIGHER VALUE IN DOLLARS

MULTIPLY BY:

100

EXAMPLE

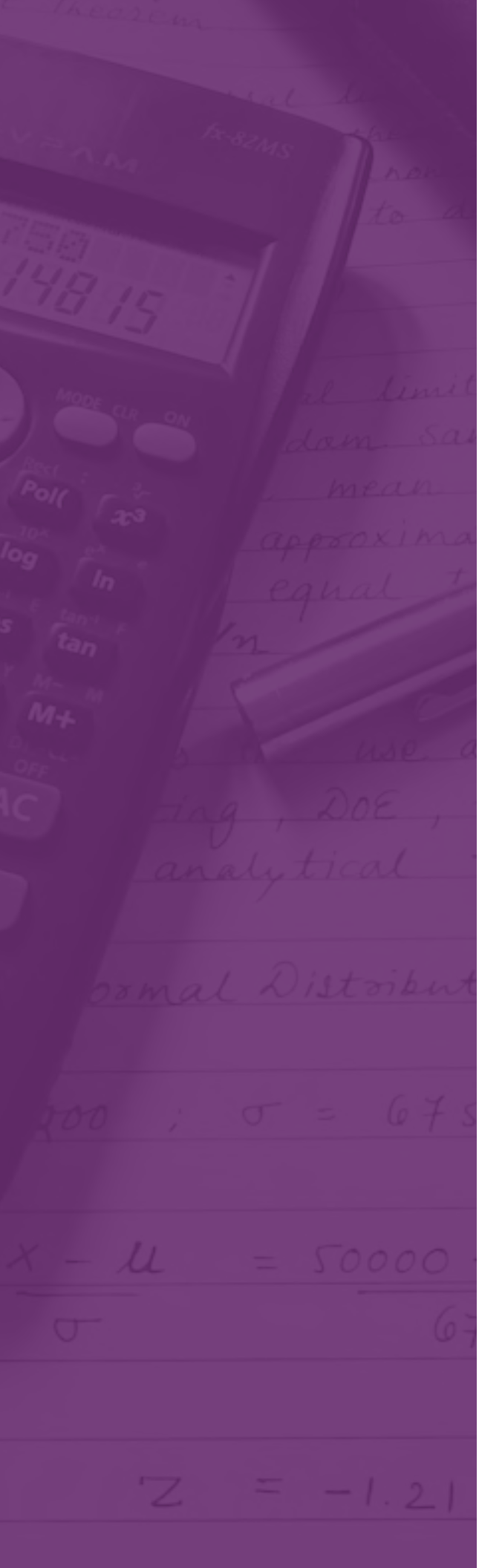
$$\$16{,}650 \overline{)\$40{,}750} \quad .41$$

$$.41 \times 100 = 41\%$$

WAGE GAP BY PERCENTAGE

41%

***BETWEEN** Male & Female Clergy*



MEDIAN

The median is the middle value of a group ranked in order. Here, we will look at highest to lowest as the order. Looking at a median salary may help provide a clearer understanding of salaries that are less impacted by outliers.

MEDIAN

To calculate the Median for a particular group:

RANK CLERGY SALARIES HIGHEST TO LOWEST.

FIND THE MIDDLE VALUE

If there is an even set of numbers, add the two middle values and divide by 2

EXAMPLE

$ 50,000
$ 48,000
$ 35,000
$ 30,000

MALE CLERGY SALARIES

$ 48,000
+ $ 35,000
$ 83,000

$ 41,500
2 | $ 83,000

MEDIAN

$41,500

NOTE: *You should also calculate the wage gap & wage gap by percentage for median salaries.*

OUTLIERS

When there are data points that fall significantly outside of the expected normal pattern, they are called outliers.

Example:

If all of your cabinet members are paid the same amount of money but those salaries are all in the top tier of salaries paid, this can skew your data heavily upward. This could potentially result in a smaller pay gap because it indicates that certain persons are paid at that higher level, even if that is not the norm for the rest of the clergy in the Annual Conference. For a more accurate depiction, you may want to remove the cabinet members from your average and median calculations. Similar consideration should be given for clergy appointed to Extension Ministries.

Example:

The top-paying church in your Annual Conference may provide a salary that is double or triple the average clergy salary. By removing this particular data point, you will also receive a more accurate depiction of salaries.

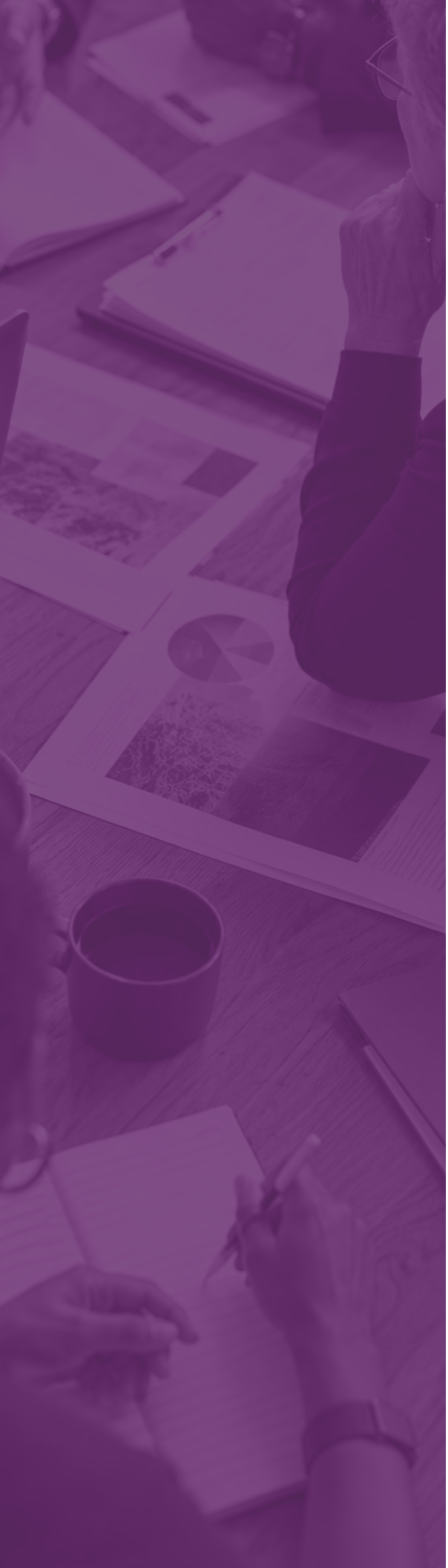
NOTE: *For any of the above examples, the fact that there is such a drastic difference in pay in certain instances also means something.*

THINGS TO NOTE

While the above Average and Median pay depictions are only examples based on gender, it is also good practice to then consider race/ethnicity. There are often more gaps based on these identifiers even within genders. To that end, there are a number of other considerations and factors that might impact salaries and/or gaps in wages. However, these are not always as clearly laid out or easy to track:

- **CABINET APPOINTMENT**
- **EXTENSION MINISTRY APPOINTMENT**
- **RACE/ETHNICITY**
- **ROLE/TITLE**
  (SENIOR PASTOR, ASSOCIATE PASTOR)
- **STATUS**
  (ELDER, DEACON, OR LICENSED LOCAL PASTOR)
- **YEARS AT APPOINTMENT**
- **YEARS OF SERVICE**
  (TOTAL)

Oftentimes, there are assumptions made that the above considerations are justifiable reasons why a person receives the salary that they do. However, the real question is whether these are actually considered when a person's salary is determined, and whether they should be.



NEXT STEPS

At this point, you should have been able to build a team and roughly determine the gender wage gap in your Annual Conference. You may have even been able to go further based on other considerations mentioned above. So, now what? What do you do with this information?

One of the biggest hesitations that might prevent an Annual Conference from doing a salary study is that it may reveal inequities. That may be true! And yet—ignorance is not bliss. Conducting a salary study is just the beginning of the conversation. As the results you obtain become clearer, you may find it helpful to set goals around what to do with this information. For example, if your Annual Conference has a wage gap based on gender or race/ethnicity, perhaps the goal is to decrease that gap over a standard amount of time. Additionally, there are other more complex examples below that may be thought-provoking.

- **PARITY AS A GOAL**
- **COST-SHARING**
- **THE BRITISH METHODIST CHURCH**

PARITY AS A GOAL

In 2018, North Alabama brought a piece of legislation forward to help move the Annual Conference toward parity for clergywomen. In that case, the goal was to ensure that the percentage of women in the higher-paid tax bracket reflected the 31% of Female Clergy that made up the Annual Conference. By 2025, this goal had been achieved.

You can read North Alabama's legislative petition relating to this work, **HERE**.

COST SHARING

A 2022 STUDY recommended that trying to disentangle salary from church size could be a promising endeavor. The study discusses in great detail the wage gaps between Black and white clergy, as well as how that gap is often perpetuated due to the difference in size of white congregations versus Black ones. By having salaries set and paid at the Annual Conference level based on factors such as experience, there could be a reduction in these disparities.

THE BRITISH METHODIST CHURCH

In other Methodist traditions, there are models where all clergypersons are paid the same stipend (salary) across the connection. It currently sits at **£31,980 FOR 2025**, and does include free housing. While this may seem dramatically different across cultural contexts, it might be worth a conversation on better understanding how this system functions.

TAKING ACTION

As times continue to evolve and we learn more and more about our own Annual Conferences, GCSRW would like to have a fuller understanding of where we are as a denomination. We will be offering training and resourcing around this topic, as well as reaching out to higher-level decision-makers throughout the connection. If you would like your Annual Conference to be part of this work, we would love to talk! Our hope is to have at least one salary study done in each Jurisdiction. In the meantime, know that we are here to help you through these conversations—they are not always easy, but they are necessary.