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An Example of Faculty at an
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Abstract

Financial matters are one of the most frequently addressed subjects in the Bible. Using a sample of faculty members from a Christian university, we examine the relationship between Christians' retirement preparation and spiritual practice variables. Although the sample might not represent the retirement savings behavior of all Christians, the results show that the members of this specific Christian group increase retirement savings when they get older and have more knowledge about retirement. However, their savings do not show a strong relationship with spiritual practice activities. Because there are no empirical studies relating Christians' retirement preparation and spiritual activities, our results invite researchers' further investigation into the issue.

This study focuses on the financial preparation for retirement among Christians. In particular, we examine whether spiritual practice variables are connected to Christians' retirement preparation. Some Christian scholars consider Christians' financial resource management to be a fundamental spiritual issue. Trunfio (1995: 19) mentions that a "central issue which Christians must examine carefully has to do with money, materialism, and wealth." Alcorn (2001: 10) notes that "our approach to money and possessions isn't just important—it's central to our spiritual lives." In McLaughlin's (2004) view, money is a spiritual asset to Christians, since "having a lot of money can enable you to move at all levels of society as needed for your service." Although Foster (1988: 84) points out that "Jesus lays such strong emphasis upon the spiritual dangers of wealth," he adds, "God intends that we should have an adequate material provision. Forced poverty is evil and should be renounced." As far as we know, ours is the first empirical attempt to relate Christians' savings for their future to their other spiritual activities. We hope that this study, as a pretest, will invite further discussion of this issue and investigation into it.

LITERATURE REVIEW

Studies based on the general public have demonstrated that demographic and life cycle characteristics explain retirement savings behavior. People participate more seriously in retirement preparation as they get older (Chatterjee 2010; DeVaney and Chien 2001; Purcell 2009) and when they earn more (Bassett, Fleming, and Rodrigues 1998; Chatterjee 2010; DeVaney and Zhang 2001). Acquiring retirement knowledge also affects retirement savings. Studies have reported that people save more when they are more knowledgeable about retirement in general (Chan and Stevens 2008; Lusardi and Mitchell 2007).

Studies on retirement-related issues have reported that Americans do not have adequate retirement savings. "The consensus is that only half of baby boomers are financially prepared for retirement" (Lown 2008: 114) Salisbury (2009: 13) concludes, "Regardless of investment allocation and realistic rates of return, individuals will not achieve retirement savings adequacy unless they begin to contribute far more than they have in the past." The lack of retirement preparation is not limited to the poor (Bell, Carasso, and Steuerle 2005). Of course, how much one should prepare for comfortable retirement is not an easy question because "it touches on a variety of deeper issues in economics, psychology, and health policy" (Skinner 2007: 60).

Although many studies have examined retirement savings of the general public, limited research has been conducted on the issue in the Christian community has been limited (Park and Smith-Bezjian 2009; Porter and Steen 2012). The research that has been done has focused primarily on pastors. Frisbey (1987) found

that financial independence was one of most important elements for retirement satisfaction and morale among missionaries. According to Glass (1995: 21), “The little research which has been done among clergy has indicated many facing retirement have some doubts about their financial security.” A study reported that one of the key factors in the decision to fully retire was the level of retirement preparation (Knapp, Pruett, and Hicks 2009). Park and Smith-Bezjian (2009) found that 85 percent of Korea-American pastors had made no retirement preparations.

Although this article examines a retirement preparation issue among Christians, the focus is not on whether Christians are adequately prepared for their retirement. Rather, we study how Christians’ level of retirement preparation is related to other spiritual activities in which they engage. Grimm (1992: 19) points out that “[o]ne of every seven verses in the first three Gospels in some way deals with money.” Porter (2005: 30) acknowledges that “[a]part from the Kingdom of God, Jesus spoke more about the money and wealth, and its detriments, than on any other topic.” The fact that Jesus spoke so often about money and possessions tells us that there should be a fundamental connection between our spiritual life and our attitudes toward money and possessions (Alcorn 2001). Although there are no known empirical studies on the relationship between retirement savings and spiritual practice variables, considering the Bible teachings and Christian scholars’ arguments about the relationship between money and its management and Christians’ spiritual life, we believe that a relationship exists between Christians’ retirement preparation and other spiritual activities.

METHODS

Sample

Our data are based on survey responses from faculty members at a medium-sized, nondenominational private Christian university. The survey was sent to the faculty who have school e-mail accounts at the institution, and the data were collected over the two-week period from April 29, 2009, to May 14, 2009, using SurveyMonkey. A total of 166 faculty members responded to the survey. The school provides employer-sponsored contribution benefits up to 8 percent of salary to full-time faculty and staff members who contribute 3 percent or more of their pre-tax salary. We dropped all part-time faculty data (29 individuals). The final sample included 137 individuals (75 males, 62 females), representing 36.5 percent of all full-time faculty members at the institution. The average age was 53 years, ranging from 27 to 72 years. Details about the data are presented below in the section titled “Sample Characteristics.”

Dependent Variable

Faculty at the institution receive salaries on a semimonthly basis. We used the faculty members' semimonthly retirement savings as the dependent variable. Salary levels differ among individuals, depending on many factors, including their work experiences, disciplines, and type of contracts. We asked participants, "What percentage of your semimonthly salary do you deduct for your retirement contribution (TIAA-CREF)?" and "What percentage of your semimonthly salary do you save for your retirement beyond TIAA-CREF?" Then we used the combined retirement savings as a percentage of pre-tax salary as the dependent variable for the study.

Independent Variables

Demographic and Life Cycle Variables. Retirement preparation studies have found a positive relationship with age (Chatterjee 2010; DeVaney and Chien 2001; Purcell 2009) and income (Bassett, Fleming, and Rodrigues 1998; Chatterjee, 2010; DeVaney and Zhang 2001). On the basis of the results of these studies, we decided to measure demographic and life cycle characteristics using age and income. Because of the sensitivity of personal information, participants were given the choice to reveal their age (the choices being five-year intervals from age 20 to age 80). We used the interval midpoint as the person's age. Income level was measured on the basis of a semimonthly pre-tax basis. Semimonthly income categories from \$1,500 to \$8,000, with \$500 intervals, were given to participants to choose from.

Retirement Attitude Variable. For this study, the level of retirement knowledge was included (Chan and Stevens 2008; Mayer, Zick, and Marsden 2011). Retirement knowledge level was measured by using a self-evaluated five-point Likert-type scale, ranging from "very knowledgeable" (5 points) to "not at all" (1 point).

Spiritual Practice Variables. Selection of spiritual variables is challenging because "[e]very operational definition used in scientific research and in evaluative scales to 'measure' spirituality reflects only small portions of the overarching reality" (Moberg 2005: 14). Although the definition of spirituality has been discussed without an agreement among scholars, Wink and Dillon (2002: 82) used "a practice-oriented definition of spirituality" following that of other researchers, such as Atchley (1997) and Wuthnow (1998). "Spiritual development requires that there must not only be an increase in the individual's awareness of the sacred in everyday life, but there must also be a concomitant increase in commitment to and engagement in intentional spiritual practices" (Wink and Dillon 2002: 82).

Wink and Dillon used religious affiliation, church membership and attendance, spiritual practices such as meditation and specific reading, and beliefs about God and the afterlife as the measures of the practice-oriented spirituality. Thayer (2004: 197) used ten basic Christian practices, including “worship, prayer, repentance, meditation, prophetic critiquing, Bible study/reading, fellowship, service, evangelism, and stewardship” to construct the Christian Spiritual Participation Profile.

We selected four spiritual practice variables: prayer, church attendance, Bible reading, and the level of offering and donations. Praying more often does not necessarily mean that one is more spiritual than others. It may not be true that a person who donates more than others do is a more spiritual person. The person who attends his or her church more often per week might not be spiritually superior to the one who attends only once a week. However, the Bible and other scholars agree, at least in part, that frequent participation in those activities is important for growing spiritually.

Jesus showed the perfect example of prayer. Although he was busy from morning to night doing his Father’s work, his priority was to be with God in prayer. He prayed early in the morning, at night, and often (Luke 5:16; Mark 1:35; Matthew 14:23). He prayed at the time of anguish before he was arrested and crucified (Luke 22:44). As Wright (2010: 282) points out, “Prayer remains central to all Christian practice, both in public and in private.” In our study, the frequency of prayer was measured on the basis of the participants’ responses to the question “How many days per week do you have prayer or devotional time?” (on a scale from 0 = none to 7 = seven days).

According to Foster (1988: 158), “Worship is our response to the overtures of love from the heart of the Father.” Wright (2010: 27) emphasizes that “[c]entral to the practice of Christian faith is shared worship.” Participants in the study were asked to record their frequency of church attendance, with the question “How many days per week do you attend church for worship/Bible study/other?” (on a scale from 0 = none to 7 = seven days).

To Christians, God’s word is “a lamp for their feet and a light on their path” (Psalms 119:105). God’s word is “more precious than gold, than much pure gold; they are sweeter than honey, than honey from the honeycomb” (Psalms 19:10). Wright (2010: 261) stresses that “[t]he sheer activity of reading scripture, in the conscious desire to be shaped and formed within the purpose of God, is itself an act of faith, hope, and love, an act of humility and patience.” Foster (1988: 71) says that “[o]ne of the great needs among Christians today is simply the reading of large portions of Scripture.” We measured the frequency of Bible reading by participants’ responses to the question “How many days per week do you read Bible?” (on a scale from 0 = none to 7 = seven days).

Paul said that Christians’ generosity would glorify God and “will prove that you are obedient to the Good News of Christ (2 Corinthians 9:13).” Grimm (1992:

53) believes that “Christians win a sense of freedom, because they know God receives the percentage or tithe they have committed as a reflection of their spiritual commitment.” Alcorn (2001: 33) comments, “Giving jump-starts our relationship with God.” Frasier (2004: 162) asserted that “[g]enerosity is the greatest weapon against greed, and the antidote that most often appears in scripture.” Participants in our study were asked to approximate their total donation over the year to charity (church and other organizations). Then we computed their answers as a percentage of their pre-tax salary.

Sample Characteristics

Table 1 shows selected descriptive statistics. On average, respondents saved 7.7 percent of their salary to the TIAA-CREF account and 4.3 percent more for their retirement beyond the TIAA-CRFF account. The average household size was 2.94. Semimonthly income before tax ranged from \$1,750 to \$7,500 and averaged \$3,850.

Table 1: Descriptive Characteristics of Variables

Characteristics	Observations	Mean (Standard Deviation)	Median	Minimum	Maximum
Retirement savings ^a	120	12.00 (9.93)	10.00	0	52
Age	137	53.06 (9.26)	52	27	72
Knowledge ^b	136	3.11 (1.01)	3	1	5
Income	137	\$3,850 (1,656)	\$3,500	\$1,500	\$7,500
Church attendance	136	1.49 (0.69)	1	0	4
Bible reading	133	4.27 (2.07)	4	0	7
Prayer	134	5.68 (1.97)	7	0	7
Offerings and donations ^c	133	10.20 (7.77)	8.93	0.30	38.33

^a The sum of employer-sponsored contribution and other personal contribution measured as a percentage of salary before tax.

^b Self-evaluated retirement knowledge level.

^c Measured as a percentage of salary before tax.

An answering the question of how knowledgeable one is about retirement, 6 percent described themselves being “very knowledgeable,” 33 percent as “knowledgeable,” and 30 percent as “a little knowledgeable.” On average, respondents’ donations and offerings were 10.2 percent of their salary. One fourth of the respondents gave 5 percent or less, while 43 percent gave 10 percent or more. The average income for those who gave less than 10 percent was higher than the average income of those who gave more than 10 percent, indicating that people might not increase their giving proportionally as their income levels rise. Approximately 54 percent of respondents attended church once a week, 36 percent attended twice a week, and 2 percent did not attend church even once a week. Almost half (49 percent) read the Bible five days or more per week, while 3 percent did not read the Bible even once a week. Sixty percent said that they prayed at least once a day.

Conceptual Model and Statistical Methods

On the basis of previous studies’ findings from the general public, we assumed that age, income, and retirement knowledge level affect Christians’ savings behavior. We included four spiritual practice variables. As the focus of this study, we hypothesized that spiritual practice variables such as the frequency of prayer, church attendance, Bible reading, and the level of offering and donations are also determinants of retirement savings behavior of Christians.

All analyses were conducted by using SPSS for Windows. We performed multivariate regression to identify whether spiritual activity variables are one of the determinants related to retirement savings measured as a percentage of salary before tax. To check the validity of the model with the assumptions of multivariate analysis, we evaluated standardized residual plots, a normal probability plot, and variance inflation factors. Significance for each level was determined by having *p*-values that were less than 0.05, 0.01, and 0.001.

EMPIRICAL RESULTS AND DISCUSSION

Correlation Among Spiritual Activities

Simple correlations among spiritual activity variables are presented in Table 2. There is a strong positive association between church attendance and all other variables. However, there are no statistically significant associations between levels of offerings and donations and other spiritual activity variables except church attendance. People who regularly attend church read the Bible more often, pray more often, and offer more. Those who read the Bible more often spend more time in prayer. Those who pray more regularly attend church. While there is positive relationship between those who attend church more and those who offer more,

levels of offerings and donations are not related to prayer or to Bible reading. The lack of a positive association between offerings and donations and other non-financial spiritual variables except church attendance suggests that the people who participated in the survey might not consider offerings and donations as spiritually important.

**Table 2: Intercorrelations Among Spiritual Related Variables
(Sample Size for Each Variable Is in Parentheses)**

Variables	Church Attendance	Bible Reading	Prayer	Offerings and Donations
Church attendance	1.00 (136)			
Bible reading	0.30 (132)***	1.00 (133)		
Prayer	0.22 (133)**	0.46 (131)***	1.00 (134)	
Offerings and donations ^a	0.21 (132)*	0.10 (129)	0.08 (130)	1.00 (137)

* $p \leq 0.05$, ** $p \leq 0.01$, *** $p \leq 0.001$.

^a Measured as a percentage of salary before tax.

Multivariate Regression

Multivariate regression was performed to identify whether spiritual activity variables are one of the determinants related to retirement savings measured as a percentage of salary before tax. The results of the regression analysis are presented in Table 3. Model 1 included demographic, life cycle, and retirement attitude variables to test whether the sample shows results similar to those of previous retirement studies. Each of models 2 through 5 included one of the four spiritual activity variables—frequency of prayer, church attendance, Bible reading, and level of offering and donations—to determine whether each spiritual variable is one of the determinants of retirement savings. Model 6 included all four spiritual activity variables.

Our sample supported the findings of some of the previous studies across the different regressions. Age and retirement knowledge were significantly positively related to retirement savings. Although, as was mentioned above, other studies have shown that people save more when they earn more, our study shows a negative coefficient. Our data show that people decrease the percentage of retirement savings as their incomes increases. The coefficient changes to positive when we add offerings and donations to the model (model 5). However, none of the models gave statistically significant results. One possible explanation is that we used the percentage of pre-tax salary rather than the dollar amount of retirement savings.

Table 3: Determinants of Retirement Savings^a

Variables	Model 1		Model 2		Model 3	
	<i>b</i>	Beta	<i>b</i>	Beta	<i>b</i>	Beta
Age	0.23	0.22*	0.23	0.22*	0.19	0.19*
Income level	-0.15	-0.03	-0.09	-0.18	-0.35	-0.07
Knowledge	2.99	0.30**	2.95	0.29**	3.10	0.33***
Church attendance			0.99	0.07		
Bible reading					0.52	0.12
Intercept	-9.05		-10.48		-8.89	
<i>F</i>		6.82***		5.21***		5.20***
<i>R</i> ²		0.15		0.16		0.16
Observations		118		117		115

* $p \leq 0.05$, ** $p \leq 0.01$, *** $p \leq 0.001$.

^aThe sum of employer-sponsored contribution and other personal contribution measured as a percentage of salary before tax.

Table 3 (continued): Determinants of Retirement Savings^a

Variables	Model 4		Model 5		Model 6	
	<i>b</i>	Beta	<i>b</i>	Beta	<i>b</i>	Beta
Age	0.24	0.23*	0.24	0.22*	0.22	0.22*
Income level	-0.20	-0.04	0.02	0.00	-0.38	-0.08
Knowledge	2.87	0.28**	2.86	0.28**	2.69	0.28**
Church attendance					0.71	0.05
Bible reading					0.61	0.14
Prayer	-0.14	-0.03			-0.67	-0.14
Offerings/donations ^b			0.12	0.09	0.07	0.06
Intercept	-8.01		-10.85		-7.52	
<i>F</i>		4.75***		5.04***		2.83**
<i>R</i> ²		0.15		0.16		0.16
Observations		116		114		108

* $p \leq 0.05$, ** $p \leq 0.01$, *** $p \leq 0.001$.

^aThe sum of employer-sponsored contribution and other personal contribution measured as a percentage of salary before tax.

^bMeasured as a percentage of salary before tax.

Spiritual activity variables such as church attendance, Bible reading, and offerings are positively related to retirement preparation. It is interesting that prayer is negatively related to retirement preparation. However, the correlations were not judged to be statistically significant for any of the spiritual variables. The Bible

asks Christians to be wise in action and plan for their future: “Four things on earth are small, yet they are extremely wise: Ants are creatures of little strength, yet they store up their food in the summer” (Proverbs 30:24–25). Meaglia (2006: 113) observes, “The steward should plan for the future.” Liang (2009: 53) emphasizes the saving discipline as “a sound Biblical principle” to any decision makers in both the public and private sectors.

CONCLUSION

Our study examined Christians’ retirement savings and spiritual activity variables and did not show a strong connection between them. While financial matters are one of the most frequently addressed subjects in the Bible and one of the most important issues in daily life, discussions about money seem to be considered less biblical and are seldom included among the topics that are addressed by pastors and Christians. Grimm (1992: 17) says, “When I say the word stewardship, ‘MONEY’ is usually the first people think of.” Therefore “many leaders have labeled it as a necessary evil” (Grimm 1992: 68). As Alcorn (2001: 9) notes, while “God sees our faith and our finances as inseparable,” we “may try to divorce them.” Churches, seminaries, and Christian universities could probably do more to fully communicate the biblical requirement of wise financial management.

This study focused on a faculty from a Christian private educational institution. Therefore the specific sample, working in a relatively homogeneous environment with the same employer-sponsored retirement benefit, does not represent all Christians’ retirement savings behavior. We recommend further research using a broader data set from several Christian universities. In addition, how to design a research model to relate Christians’ financial activity to their spiritual activities is not an easy issue. One of the fundamental questions is how to measure one’s spirituality. While we tried to relate more spiritual activities, we did not focus on the quality of an activity, such as praying two hours a day versus three minutes a day. How to consider the magnitude of an activity needs to be discussed. Considering the limitations mentioned above and the complex structure of the issue, we ask readers to interpret the results with caution. This study may best be considered as a pretest, and we invite other researchers’ further discussions and investigations of the issue.

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