A Corporate View of Innovation Management in the Catholic Church

Overcoming traditional management practices is necessary in order to innovate – to bring about change.

There is risk no matter what course Pope Francis chooses but the Church cannot afford to stay still.

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The Church is at a critical state. Whether to assume the risk associated with change or the risk of staying the course is the question. Without risk, there is no innovation. The new Pope’s leadership style might suggest that the Church is in the mood for a change but, as we see the situation, its management practices could be, and should be, improved to encourage innovation.

We explore the management practices of the Catholic Church in order to better understand more about the Church’s approach, or lack thereof, to innovation. How do the Church’s management practices compare with those of highly-innovative companies? Is the question even relevant to a faith-based organization? We think so.

Personal Statement

I am not a member of the Catholic Church nor of any other religious organization yet I appreciate and value those who have faith.

My sole objective in writing this paper is to explore the notion of innovation and the management practices which encourage change whether in a private-sector corporation or in a faith-based organization.

By so doing it is hoped that those who opt for change will better understand what can and must be done to improve innovation and achieve the ‘deliverables’ desired by their leadership.

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1 President, White & Partners, an independent management consulting firm specializing in strategy and innovation. More information at http://www.corporateinnovationonline.com
Executive Overview

1. The Catholic Church is in danger of becoming irrelevant unless changes to its management practices are implemented and thus facilitate significant change.

2. Both non-faith and faith-based issues need to be addressed and quickly. Decision-making on several issues, having been at a standstill for years, has led to a high level of frustration among the Church’s flock.

3. Top management of the Church, i.e. the Pope and the Curia, need to be restructured in order to address and implement change – innovation.

4. The Church should adopt a number of lessons learned from well-managed companies. There are many similarities between ‘running’ a large global enterprise and ‘running’ the world’s largest institution – the 1.2 billion-member Catholic Church.

5. Church management needs to take into account its growing competition and organize a response consistent with the Church’s beliefs.

6. Newly developed tools for managing a large enterprise in a media savvy and socially-networked society need to be recognized and adopted.

7. While the most immediate thrust (under Pope Francis) appears to focus on the poor, the Church should be developed as a Church for all people.

8. Reclusiveness will likely eventually lead to the minimization of the Church’s role in society. Improvements to the Church’s governance including its transparency are essential to any notion of growing the Church in terms of members and global influence.

9. As a consequence of the practice of in-house hiring and internal appointments, the likelihood of generating new ideas is low. Corporations have shareholders, outside directors, and Board committees and make room for outside hires. The Church should consider various means of encouraging new input such as input from lay members, outside advice to the Holy See, or hiring professional management.

10. Two faith-based issues are critical to the Church’s future. Having ‘boots on the ground’ – priests – is essential and their decline in term of numbers must be arrested. Secondly, women’s work in the Church needs to be more fully recognized coincident with solving the issue of their ordination. Without resolution of these two issues progress will be difficult.

11. The Church should consider the benefits of developing a comprehensive strategic plan embracing both corporate (Curia, Pope, Cardinals. Bishops) level and connecting the plan to parish initiatives.

There is merit in the Church adopting relevant ideas from the practices of highly-innovative companies. We explore which areas to focus upon and suggest starting points and the outline of a strategic approach to addressing issues.
Comments on the Church’s Innovation Issues

The Catholic Church is the world’s largest Christian Church with 1.195 billion members worldwide. Its mission is to spread the Gospel of Jesus Christ, administering sacraments and exercising charity. Pope Benedict, at his last speech in public, made the point that the Church is not his nor the flock’s but is the church of Jesus Christ.

Innovation, the central issue explored in this paper, is best defined as the introduction of anything new, whether large or small. Changes, innovation, can be incremental as in ‘continuous improvement’ or it can be dramatic as in the commercialization of a brilliant new discovery, a ‘disruptive technology’, such as the new iPad.

Most people would say that innovation is not the Catholic Church’s strong point (see Appendix A for an overview of innovation in the Catholic Church) and others might say that innovation is irrelevant to the policies and management practices of a faith-based organization. But there are implications which arise as a result of an organization not adapting and responding to change and to new ideas. Are there some lessons which can be learned by a faith-based organization from the way highly-innovative corporations approach innovation? Yes, there are.

There are obvious differences between a corporation and its issues and those of the Catholic Church with its religious and social role but from a management perspective, some of these issues are able to be addressed without compromising the Church’s long-held beliefs. By dividing the issues into three categories;

- **Managerial issues** amenable to solutions in the short-term; such as financial transparency, corruption and removal of sexual predators along with clearly outdated management practices within the Curia.

- **Man-made issues** such as insistence on celibacy and the ordination of women.

- **God-made issues** such as abortion and same-sex marriage.

The Church’s inaction regarding in-church sexual issues, dysfunction at senior levels, and alleged corruption, are in many ways, very similar to the problems faced by large corporate organizations. Unless addressed, these issues can put the institution at risk by hampering its efforts to expand globally or, as the case in the Church, arrest decline in the developed world.

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3 Wikipedia The Catholic hierarchy is led by the Pope and includes cardinals, patriarchs and diocesan bishops. The Church teaches that it is the one true Church divinely founded by Jesus Christ, that its bishops are the successors of Christ’s apostles and that the Pope is the sole successor to Saint Peter who has apostolic primacy.
4 Phrase coined by Clayton M. Christensen in his book; The Innovator’s Dilemma
5 According to the Catholic Church
Corporations have survived for decades and have, at the same time, retained a set of core values which do not change. Most however adapt and change by responding to industry, market, technology and consumer developments and work to retain core values.

Are some of the changes to practices, policies and programs which are often cited by both critics and supporters inhibited by virtue of the Church’s current management practices? Technology, amongst other drivers of change, has dramatically altered the manner of conducting business without altering corporate core values.

As to core values, is it likely that the Church will be able to sustain its current organization and policies without adapting to the obvious desires of its current and potential flock, priests and bishops included?

The Church’s support base – in a sense its clients, its customers, or those who believe in the Church - is diminishing in key markets such as Europe, Brazil and North America. While overall global growth is .04% over the year to 2012, growth is negative in Europe. Brazil’s Catholic population represented 89% of the population in 1980 and has now declined to 60%.

Growth has been in the less developed markets such as Mexico (83%) and the Philippines (81%). Significant growth is, however, taking place in Africa – in the sub-Sahara area including Ghana and Cote d’Ivoire in particular -where congregations are overflowing with attendees in spite of, or because of, preaching against contraception and abortion. Issues revolve around the following developments. Most issues closely parallel those faced, at one time or another, by large corporations.

- In recent polls amongst U.S. Catholics it is strongly suggested that the Church is out of touch with lay opinion on such issues as contraception, same-sex marriages and the role of women in the Church. On the other hand, the same survey reported a high degree of satisfaction with the role played at the local level by parish leaders in spite of the Vatican’s stance on important issues.

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6 CBC National broadcast from Rio de Janeiro, March 10, 2013
7 % refers to the % of population recorded as Catholic
8 CBC National broadcast, March 10, 2013
9 “U.S. Catholics in Poll See a Church Out of Touch” – March 6, 2013,
• **There is little penetration** – market share of several of the fastest growing populations in the world such as India and China. Perhaps this is not a major concern of the Church at this time, but as a growing ‘market’, the lack of growth should concern those in the Church who have global aspirations. When corporations roll out globally, one of the first steps is to establish an effective organization in the target market. Examples include the substantial off-shore commitments by GE and John Deere in R&D centers established most recently in Russia, Brazil and India.

• **Competitive forces**, including the growth of agnostics, atheists, Pentecostalism and secularists are intensifying and growing stronger than at almost any time in history. Islamic and Evangelistic movements are growing globally by attracting significant numbers of new followers. At the end of the next decade it is projected that 50% of the population of Brazil will be represented by evangelical churches\(^\text{10}\).

• The **Church is seen by many to be lacking the ability and/or the desire** to root out those in the Church who commit acts deemed unacceptable by most members including its own Church administration. Pawning off sexual issues by transferring offenders from one parish to another diocese is seen as totally ineffective. Church management seems to be ‘in irons’ with respect to effectively dealing with these issues. Administrative paralysis seems evident.

• Broad policy issues such as whether the clergy should have the right to marry, the condoning of same-sex marriages, and sexual teachings on abortion and contraception, are creating schisms in the Church. **Dysfunction at the most senior levels** is, by many reports, evident.

• **Long-standing organizational arrangements** are unwinding as illustrated by the decision of Cardinal O’Brien to abandon, willingly or not, his main role – as a Cardinal – to be part of the group electing a new pope\(^\text{11}\). At no time in history has a Cardinal willingly recused himself from this most important role. The resignation of Pope Benedict XVI is, in itself a significant departure from tradition; not having occurred for over four centuries.

• Evidently one of the reasons that the Conclave, whether the latest or earlier Conclaves, takes so long to complete its task is the lack of understanding among the eligible 115 Cardinals of each other\(^\text{12}\). Highly-innovative corporations such as GE make it a point to hold events during which executives from around the world are able to meet, receive training, and share their backgrounds. Collaboration is encouraged on an ongoing basis.

• Financial scandals have occupied the attention of the Church and its followers. The Church maintains a very **high degree of opaqueness** thus raising suspicions that there are issues to be covered up. Corporations, on the other hand, are much more transparent today than ever before. Transparency is now a part of a corporation’s value system, assisted or required by national and

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\(^\text{10}\) CBC National broadcast from Rio de Janeiro, March 10, 2013
\(^\text{11}\) Cardinals play hardball, MacLean’s Magazine, March 11, 2013
\(^\text{12}\) The New York times, March 7, 2013, The Next Pope and the Future Church, To the Editor
international codes of practice. The Church ‘must modernize the Roman Catholic Church’s finances or risk the Vatican’s access to the global banking system, undermining its moral authority and financial stability’\(^\text{13}\). It is not the Catholic Church’s initiative, but the ECB’s insistence on applying its rules to the Vatican, if the Church wishes to stay within the Euro zone, which is causing change.

- Management per se seems missing in the training of Bishops and Priests and, one presumes for those in the Curia. The Church organization is immense and yet training for those appointed to administer (a better word would be to manage) the Church seems lacking. Highly-innovative companies, in addition to hiring well-educated managers, invest heavily in training. Church management seems stuck in the pre 20\(^{th}\) century’s negative attitude towards those in ‘trade’. Management was not then worth teaching! The change in management education – training for management - in the last 50 years has been global and dramatic.

Alleged divisions within the Church confirm that change – innovation - is one the largest policy/faith issues faced by the Church at this time in its history. Management practices can either help or hinder change – innovation.

Debate about policy issues has, one might conclude, sapped the energy of the organization from moving ahead. In short, the view of those calling for change is that the Church is simply out-of-date in its policies and practices and, in spite of the obvious negative outcomes, seems unwilling to change – to innovate.

American Catholics overall are split on whether any Pope should maintain the traditional positions of the Church or move in new directions. Two-thirds of those who attend Mass at least once a week prefer that the Pope maintain traditional positions, while half of those who attend less frequently favor moving the Church in new directions\(^\text{14}\). This is but one aspect of the Church’s ‘Innovation Dilemma’.

How does a faith-based institution innovate? The view forward is not clear. Leadership and innovation are however critical components to the way forward. Without leadership of the Church explicitly calling for innovation, in whatever form, there is little likelihood of change happening and an inevitable decline is a likely result.

A review of the management practices within the Catholic Church and a comparison with those of highly-innovative corporations reveals that practices are out of date. Innovation is significantly constrained by the Church’s practices. By adopting more modern practices and at the same time not interfering with the Church’s core values, the Church could make major inroads into the competition and revive the interest of many lapsed Catholics. Practices matter!

\(^{13}\) The New York Times, March 9, 2013, Power Struggle on Reforming Vatican Bank

\(^{14}\) Pew Research Centre; U.S. Catholics: Key Data from Pew Research, February 25, 2015
Corporate Longevity – examples from the private sector

On the corporate front, there are few if any corporations which have survived or even come close to experiencing the longevity of the Catholic Church.

According to a report published by the Bank of Korea\textsuperscript{15} on May 14, 2008 investigating 41 countries, there were 5,586 companies older than 200 years. From these 3,146 are located in Japan, 837 in Germany, 222 in the Netherlands and 196 in France. 89.4\% of the companies with more than 100 years of history are businesses employing fewer than 300 people. A nationwide Japanese survey counted more than 21,000 companies older than 100 years as from September 30, 2009.

Colgate-Palmolive, DuPont, Taylor Fladgate, Pratt-Read and Jim Beam are long-term survivors whose names may be well remembered.

Earlier research into the management practices impacting innovation – conducted during the mid 1980s by Arthur D Little Inc. – focused on the management practices of 28 companies in the U.S.A., Canada, Japan, and Europe. Of the 28 companies, some have survived more or less intact – e.g. Apple Inc. was one of the 28, while the rest have been taken over by other multinational corporations. Longevity is a rare characteristic of the corporate world!

Research into innovativeness in the private sector by White & Partners Ltd. includes examining the innovation management practices of highly-innovative companies such as; GE, Nucor, P&G, 3M, John Deere and Toyota. The question addressed by the research was; how have these companies managed to sustain innovation over such a long period. All have been around for over a century and have a record of sustaining innovation.

Much of the answer lies in the management practices of these corporations and their retention of a core value of innovation.

Those companies researched have been in business for well over a century and in some cases more, but not more than two centuries.

GE, John Deere and P&G to this day provide a base measure, a benchmark, for our determination of the best practices associated with highly-innovative companies.

This measure, developed by White & Partners\textsuperscript{16} Ltd., is referred to as the ‘Best of the Best’. Others refer to the measure as the ‘Best of Breed’.

A second measure, the ‘Ideal’, draws on results from those who have registered their opinion on our on-line survey. Both benchmark provide a comparison, but one – the Best of the Best, as you would expect, is more challenging than the other; the ‘Ideal’. The ‘Ideal’ is, however, a measure which respondents believe is the best situation which they might expect in their own corporation. This benchmark is used later in this paper in a comparison to practices within the Catholic Church.

Our research also included examining one company, Massey-Ferguson, in order to elaborate on how its innovative management practices – or, in this case, the lack of – contributed to its demise.

More recent research focused on the high-tech sector examining companies such as RIM, now Blackberry, and HP. The future for both

\textsuperscript{15} http://en.wikipedia.org/wiki/Bank_of_Korea
\textsuperscript{16} For more information in the structure of the ‘Best of the Best’ and ‘Ideal’ benchmarks, please refer to information on the web site; http://www.corporateinnovationonline.com
Blackberry and HP remain somewhat of a question at this time. Both companies were at one time hugely successful and are currently in a ‘malaise’ when one makes reference to innovation. Earlier on, highly effective management practices had generated outstanding financial performance and reputations. In both cases good practices deteriorated, dysfunction set in at senior levels, and financial performance and reputation fell dramatically.

A ‘CIOScore’ for innovation is used as benchmark for application to the private sector.

- Massey-Ferguson’s\(^{17}\), once Canada’s largest corporation with 68,000 people, ‘CIOScore’ was ‘134’ and company went bankrupt after 150 years in business. The company was never known for its innovation.

- RIM, now called Blackberry, while having an excellent score during its early years, was determined to have a score of ‘72’, at the time of its relative decline in financial performance, and reputation in and around 2009.

- HP’s ‘CIOScore’, at the time of its rather rapid decline in shareholder value, was determined to be ‘97’.

The benchmark’s threshold, at which point an organization should be a concern over a company’s management practices and their negative impact on innovation, is approximately ‘60’. This overall score, or benchmark, is applied to the management practices of the Catholic Church. The Catholic Church’s ‘CIOScore’, for comparison, is 127!

The next section provides some thoughts on what might be done to encourage innovation in the Catholic Church. The most basic assumption, however, is that leadership in terms of the Pope, Curia, Cardinals or lay members – wish openly for change of some form. We examine the management practices which need updating and why? How do the Church’s practices compare with our established benchmarks? Are their lessons to be learned from the corporate sector?

\(^{17}\) See paper on Massey-Ferguson published at http://www.corporateinnovationonlline.com
Management Practices Inhibiting Innovation in the Catholic Church

Recognizing that there are obvious differences between private sector corporations and a faith-based institution, we have rated the Catholic Church’s management practices using a 25-Factor framework. The Church is ranked against our benchmark; the ‘Ideal’ which draws on the results of respondents who have registered their opinion by war of completing the on-line survey\(^\text{18}\).

The Catholic Church’s overall ‘CIOScore’\(^\text{19}\) is 127, well beyond the score of ‘60’ which, for the corporate world is the starting point for recognizing that there is a problem with the organization’s management practices respecting innovation. ‘Delta’ for each Factor is the difference between our benchmark rating – the ‘Ideal’ – and our rating of the practice as followed by the Church. The ‘CIOScore’ is the sum total of ‘Delta’s’ for all 25 Factors.

For ease of applying and making sense of the framework of 25 Factors, the analysis and rating is set out under three themes;

- leadership,
- organization and management of day-to-day affairs, and
- idea generation and realization.

The theme which contributes most negatively – see pie chart - to the Church’s overall ‘CIOScore’ is its ‘Organization and management of day-to-day affairs. ‘Other’ and ‘Outcomes’ are explained later in this paper. Scores for these three themes account for a total of 94.5 or 74% of the total score.

We examine each of the three themes. More detailed information on the development of the overall score and the score for each of the three themes is set out in Appendix B. 

\textbf{Organization and management of day-to-day affairs accounts} for the largest portion of the ‘CIOScore’\(^\text{20}\) - ‘42’ out of the total ‘127’. The implication is that the Catholic Church does not manage its day-to-day affairs effectively as evidenced by ratings for each of 8 Factors. Based on

\(^{\text{18}}\) The on-line survey can be referenced at http://www.corporateinnovationonline.com  
\(^{\text{19}}\) The ‘CIOScore’ is the sum total of the differences for all 25 Factors between our view of the management practices of the Catholic Church, in this case, and our benchmark; the Best of the Best. The larger the score the greater is the gap between what is considered a good management practice and the reality of the rated organization.  
\(^{\text{20}}\) The ‘Delta’ is the difference between our rating for each Factor and the respective benchmark – the ‘Ideal’.
our review, the organization is too highly centralized, there is more planning than action, decision processes are too formal, decision making is not broadly based but is centralized at top levels, and communication within the Church is too formal.

Idea generations and realization scores are also above the norm for corporate organizations. The ‘CIOScore’ for these Factors is ‘30’, out of the total of ‘127’. The 6 Factors relate to the organization’s encouragement for surfacing and implementing ideas – big or small; suggestion boxes to big concepts. Specifically, for the Catholic Church management, there is little tolerance for variation from a ‘corporate norm’, little tolerance of failure, no tolerance for mavericks, and the existence of rewards – monetary or non-monetary - for innovation is not evident. On the positive front, there is a sense that funds could be available for causes which the Church could agree to support.

Leadership ratings, as related to innovation, are the most difficult to assess. While the total for leadership as a component of the total ‘CIOScore’ is only ‘22.5’ out of the total of ‘127’, the measure is distorted by the lack of information and perhaps the relevance of this topic to the analysis of a faith-based organization. One does not know whether management; i.e. the Pope and/or the Curia, are even aware of the importance of innovation. The issue of profits per se seems irrelevant to the Catholic Church. Similarly there is little information on the issue of risk assessment as part the planning process. The ‘CIOScore’, while contributing the least of three themes is, as was stated earlier, still the most important. Nothing innovative happens in a corporation unless it is the expressed wish of senior management and the Board. Similarly, nothing will take place in the Church without the expressed desire and implementation action from the Pope, the Curia and senior officials; i.e. Church leadership.
Thought Starters for Innovative Actions

The Pope’s overall responsibilities are staggering. No doubt organizational arrangements have been adjusted over the years to accommodate the growth of the Church and meet new challenges but its current structures and management practices seem outmoded when compared to the best practices of highly-innovative corporations. See Appendix B for notes on the size and structure of the Church.

Possible modifications to organizational and management practices, whether to address non-faith or faith issues, are set out below.

- The Pope should be distanced from day-to-day administration. Just as in a government or in a corporation there is split in the roles of policy and external communication from those of direct day-to-day management. Government and private sector organizational arrangements are worth noting. A government model would have a Minister and reporting to him a Deputy Minister whose job is often – not always – to keep the Minister out of trouble. In the corporate model the split in roles of a CEO from a COO is an example which is often applied. There is also often a split in the roles played by a Chairman of the Board and the CEO, and this is becoming more common place.

Organizationally, the physical location of retired Pope Benedict XVI, is reminiscent of the situation at Starbucks where Schultz, on deciding to ‘step down’, took a corner office in the same building as his successor as CEO, only later to step back into the role when the going got tough. Two heads, so close, just does not work. Here it seems worse, since it is intended that Georg Ganswein, Benedict’s private secretary, will also serve the new Pope. Some ‘privacy’! Compounding this close relationship is the fact that a large number of Cardinals live in Rome.

- Heads of the Church are generally not trained in the management of large scale enterprises, a weakness which may now be evident. Similar training for the members of the administration in Vatican City, the Curia, and its senior posts may be lacking. Training in management concepts from fields such as organization, strategy, human resource management and information management could prove valuable.

- The current highly centralized and hierarchical organization needs to be examined with the thought of delegating as many of the day-to-day activities as possible. Organizations used to develop ‘Procedure Manuals’ to provide direction and delegation, now with technology, the manual is replaced with intranet information. Delegation is not inconsistent with a continuing focus on core values. Administrative enhancements available by way of introducing new technologies could contribute significantly to growing the Church globally.

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21 In a 2011 interview on Salt and Light, the Canadian Catholic TV channel he (Cardinal Ouelett) said being Pope “would be nightmare” because of its crushing responsibility.”

22 The Economist, March 9, 20-13, Schumpeter/Pope CEO

23 The Economist, March 9, 2013, Schumpeter, Pope CEO
• Trust is one of the building blocks of innovation and is built through a process of getting to know others in an organization and emphasizing the importance of communication, collaboration and relationships. Much could be done, with and without modern technology, to encourage the sharing of information both vertically and horizontally within the organization with the idea of building trust amongst management; the Pope, Bishops and Priests – and ultimately the flock.

Initiating wire taps, ordered by the Vatican secretariat of state, on several Vatican prelates was similar to the situation experienced at HP a few years ago. But the Vatican spokesperson referred to them as ‘nothing on a significant scale’\(^ {24}\). Imagine a similar statement from an HP spokesperson!

• Idea generation and realization, while perhaps not so easy to deal with as matters of day-to-day administration, could become of facet of a restructured mandate for the Curia. Not all new ideas impact the core faith. A separation of ideas into faith and non-faith, man-made or God-made, related ideas could do much to modernize the Church without disrupting core values.

• Competition for church goers is intensifying. One of the approaches of highly-innovative companies is to analyze, in depth, the management practices of the competition. The Catholic Church is highly centralized. Islam is highly decentralized. Most highly-innovative companies find a way to decentralize management and operations in order to become, and remain, global entities. There is always the threat from niche-faith churches and their ability to collaborate and gain a greater global presence. In business, if one hears from a company that there is no competition in the market, this is often a sign that the company has not defined its market effectively let alone paid sufficient heed to competing market or technology forces.

• The transparency of the Vatican Bank needs to be addressed and quickly. The Bank has 21,000 clients, 68% if them in the clergy and $8.2 billion in assets\(^ {25}\). Charges related to money-laundering, insurance fraud, and limited progress in meeting minimum standards of the European Union – since the Vatican is part of the Euro zone – are pending and need resolution. Incompetence at senior levels has emerged most recently. The appointment of a Swiss firm to manage financial services inside the Vatican is hardly a show of transparency.

In summary, there are a variety of modifications, faith or non-faith, which could contribute to addressing the Church’s issues. The first stage is to identify the issues and organize to take action.


Conclusions; Church Strategy and SWOT Analysis – What to do?

From a strategic standpoint, the Catholic Church has a number of issues that need addressing and quickly. Decisions regarding improvement to the Church’s management practices present no conflict with addressing faith-based issues. Having good management practices will not inhibit addressing deeper issues at any time and can only enhance their eventual resolve.

The Pope’s first task is to surround himself with a ‘management team’ of trusted people who are prepared to take action to address both large and small issues. If the Church were a corporation the next step would be to develop an overall strategy. With input from the laity, priests, bishops and the Curia; a strategic document, or the equivalent, that enlightens the way forward from a management perspective is a necessity for moving forward.

Understanding the problem and setting up an organization to guide the reform task ahead seems a first step and must be led by the Pope. Strong support from a cross-section of the Church hierarchy is required.
The second step is to identify the issues most in need of decision making and action.

**Issue Identification**

<table>
<thead>
<tr>
<th>Prioritization of issues to be addressed</th>
<th>Degree of difficulty</th>
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<tr>
<td><strong>Managerial issues amenable to solutions in the short-term</strong></td>
<td><strong>Man-made issues to address in the short-term</strong></td>
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<td>Financial transparency</td>
<td>Insistence on celibacy by priests and others in the Church hierarchy</td>
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<td>Encouraging collaboration in the quest for solutions to problems as well as improving understanding amongst all in the Church</td>
<td>Ordination of women</td>
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<td>Removal of sexual predators from the Church</td>
<td>Reorganization of the Curia</td>
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<td>Financial corruption</td>
<td>Reorganization of the Pope’s office, duties and responsibilities</td>
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<td>Use of social media</td>
<td>Means of communication within the Church</td>
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<td>Senior management organization</td>
<td>Gaining a sense of alignment within the Church organization and with membership at large</td>
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<td>Training of senior and middle ‘manager’ – parish priests – in parish management</td>
<td>Role of woman in the managerial structure of the Church; Curia etc.</td>
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<td>Listening to input from lay members of the Church</td>
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<td>Centralization (too much) of church authority in Rome</td>
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<td>Human resources management</td>
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A careful examination of the strengths, weaknesses, threats and opportunities (SWOT) would be useful in the process of developing a strategy. Set out below is a first ‘crack’ at the task. Typically this process is accomplished with the full involvement from those within the organization. Thus, in this case, the effort is obviously a first draft.

²⁶ According to the Catholic Church
Strengths
- An established base of close to 1.2 billion members
- 2000 years of tradition
- Churches strategically located in major markets
- Magnitude of the Church’s asset wealth; liquid and non-liquid
- Dedicated senior management; archbishops, cardinals and the Pope
- Dedicated priests at parish level
- A new revival (under Francis) focusing on the poor of the world
- Over 400,000 parishes located globally

Weaknesses
- Eroding attendance in many parishes around the globe
- Evident dysfunction at senior levels
- Little penetration of the World’s largest and fast growing economies; India and China and declining interest in Brazil
- Rome-centric administration viewed as out of touch with global developments
- Hierarchical and Rome-centric decision making on all matters whether large and small
- The Church’s reputation for lack of innovation in a world which is innovating rapidly
- Strength at the local level but decreasing membership because of conflicts with Church dogma
- Maintenance of practices which are out-of-line with societal trends regarding; the role of woman, equality, celibacy and transparency
- Inability to hire priests in select target markets leading to relatively few ‘boots-on-the ground’.

Opportunities
- A sign of ‘progress’ whether in management practices or on faith-based issues could appeal strongly to lapsed-Catholics.
- Strong demand for the Catholic faith in select emerging markets
- Untapped youth interest
- Further focus on the role of the church in serving the poor and downtrodden
- Health administration through the Church’s network of hospitals
- The role of the Church in delivering both faith and non-faith based education

Threats
- Aggressive tactics on the part of newly emerging evangelical churches
- There is a correlation between rich nations and their lack of interest and support of traditional religions and the growth in poorer nations which could constitute a problem as economic development brings prosperity to many more nations
- A continuation of the drift away from the Catholic Church based on its inability or wishes to improve its management practices and address fundamental issues, or even less important issues
- A growing interest in evangelical movements aimed at disenfranchised groups and persons
- A revolt at the grassroots level by priests unable to administer to parishioners in their chosen manner. The current need to share parishes and travel.

27 Studies conducted by the Pew Research Center have found that, generally, poorer nations had a larger proportion of citizens who found religion to be very important than richer nations, with the exceptions of the United States and Kuwait.
Appendix A

Catholic Church Innovation

By most accounts, the Catholic Church initiated by the first Pope St. Peter in 33, has not changed its organizational structure, management practices, or deliverables – to use a corporate term - for over four centuries up until the 1960s.

Under the term of Pope John XXIII, (1958 – 1963) innovations – deliverables - were introduced as part of the Second Vatican Council.

- Allowing mass to be said in the vernacular (local language)
- Encouraging the full participation in liturgical celebrations
- Moving to engage the church more closely with the present world
- Changing the church’s approach to ecumenism
- Improving relations with non-Christian religions, particularly Judaism

Some of these changes were controversial but went ahead in any case; some were successful, some not. The changes were viewed by some as not going far enough. The Second Vatican Council was concluded by Pope Paul VI. A Catholic Liberal, Father Hoban, in Moygownagh, Ireland characterizes the shut down this way; ‘when the church hierarchy hi-jacked the devolutionary reforms of the Second Vatican Council and blocked change or implemented it badly.”

Pope John Paul II (1978 – 2005), the first non-Italian Pope (Polish) in 455 years, sought further changes seeking to evangelize the secular world, for example, by initiating World Youth Day in order to engage youth. More recently there has been a special initiative to re-evangelize lapsed Catholics in the developed world. These initiatives were in response to the disengagement of youth, and the need to engage youth from the Church amid declining support from within the developed world.

Pope Benedict XVI was elected in a papal conclave on April 19, 2005. His tenure has been controversial. Sexual scandals have reverberated throughout the Church. The Church has been strongly criticized by many for not acting swiftly or effectively. Pope Benedict, as many would say, is an intellect, a man of strong faith, holiness, but not a good administrator nor communicator on behalf of the Church. His resignation and his stated ambitions regarding the activities he is to pursue in ‘retirement’, confirm his orientation.

The debate continues; should the Church change its ways or should it hold to the course of history and hope that faith can become a more dominant part of the world of faith?

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28 Simon Peter is recognized by the Catholic Church as the first Bishop of Rome (Pope) appointed by Christ. He is the Apostle of Jesus from whom be received the keys of the Kingdom of Heaven.

29 The Council, however, generated significant controversy in implementing its reforms; proponents of the "Spirit of Vatican II" such as Swiss theologian Hans Küng claimed Vatican II had "not gone far enough" to change church policies.[169] Traditionalist Catholics, such as Archbishop Marcel Lefebvre, however, strongly criticized the council, arguing that the council's liturgical reforms led "to the destruction of the Holy Sacrifice of the Mass and the sacraments," among other issues.[170]

30 The Economist, March 9, 2013, Flocks and shepherds
Appendix B

CIO’s\(^{31}\) Profile of Management Practices Inhibiting Innovation

Recognizing that there are obvious differences between private sector corporations and a faith-based institution, we have rated the Catholic Church’s management practices using a 25-Factor framework. The Church is ranked against our benchmark; the ‘Ideal’ which draws on the results of respondents who have completed the on-line survey.

The Catholic Church’s overall ‘CIOScore’\(^{32}\) is 127, well beyond the score of ‘60’ which, for the corporate world is the starting point for recognizing that there is a problem with the organization’s management practices respecting innovation. ‘Delta’ for each Factor is the difference between our benchmark rating – the ‘Ideal’ – and our rating of the practice as followed by the Church. The ‘CIOScore’ is the sum total for all 25 Factors.

\[^{31}\] ‘CIO’ stands for Corporate Innovation Online; http://www.corporateinnovationonline.com

\[^{32}\] The ‘CIOScore’ is the sum total of the differences for all 25 Factors between our view of the management practices of the Catholic Church, in this case, and our benchmark; the Best of the Best. The larger the score the greater is the gap between what is considered a good management practice and the reality of the rated organization.
For ease of applying and making sense of the framework of 25 Factors, the analysis and rating is set out under three themes;

- leadership,
- organization and management of day-to-day affairs, and
- idea generation and realization.

The theme which contributes most negatively – see pie chart - to the Church’s overall ‘CIOScore’ is its ‘Organization and management of day-to-day affairs. ‘Other’ and ‘Outcomes’ are explained later in this paper. Scores for these three themes account for a total of 94.5 or 74% of the total score. We examine each of the three themes.

**Organization and management of day-to-day affairs** accounts for the largest portion of the ‘CIOScore’ \(^{33}\) - ‘42’ out of the total ‘127’. The implication is that the Catholic Church does not manage its day-to-day affairs effectively as evidenced by ratings for each of 8 Factors.

Specifically;

- the organization is too highly centralized,
- there is more planning than action,
- decision processes are too formal,
- there is little use of the one of the typical tools of managing innovation and that is the use of independent work groups which have authority,
- decision making is not broadly based but is centralized at top levels,
- communications within the Church is too formal, and
- there seems be a lack of concern over ‘people and their interactions’.

Encouraging input from staff versus line persons is not rated since the distinction is not known and information is lacking. Many of these Factors tend to reinforce each other. For example, a highly-centralized organization often has difficulty in making decisions within a reasonable time. Lack of communications within an organization can lead to a paralysis of action.

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\(^{33}\) The ‘Delta’ is the difference between our rating for each Factor and the respective benchmark – the ‘Ideal’.
Idea generations and realization scores are also above the norm for corporate organizations. The ‘CIOScore’ for these Factors is ‘30’, out of the total of ‘127’. The 6 Factors relate to the organization’s encouragement for surfacing and implementing ideas – big or small; suggestion boxes to big concepts.

Specifically there is;
- little tolerance for variation from a ‘corporate norm’,
- little tolerance of failure,
- no tolerance for mavericks,
- a sense that funds could be available for causes which the Church could agree to support, and
- the existence of rewards – monetary or non-monetary - for innovation is not evident.

There is little information regarding R&D budget levels but religious research would be the equivalent investment. There is no information available to indicate the magnitude of R&D.

Leadership ratings, relating to innovation, are the most difficult to ascertain. While the total for leadership as a component of the total ‘CIOScore’ is only ‘22.5’ out of the total of ‘127’, the measure is distorted by the lack of information and perhaps the relevance of this topic to this analysis to a faith-based organization. One does not know whether management; i.e. the Pope and/or the Curia, are even aware of the importance of innovation. The issue of profits per se seems not relevant to the Catholic Church. Similarly there is little information on the issue of risk assessment as part the planning process.

Leadership, however, is key to innovation in any organization so this result, with a relatively low score, has to be looked at circumspectly.
First of all, little is known concerning two Factors;

- #4, the emphasis placed upon cost reduction or searching for opportunities in the planning process,
- #7, careers for and recognition of innovators, although one might assume that this Factor would score high – meaning that there is little or no recognition of innovators.

Management, i.e. the Curia does not, by virtue of its inaction, call for innovation. Profits do not seem to be an issue per se but the Church’s close attention to financial matters is well known. Rating leadership is difficult given the integration of organizational arrangements at the top level of the Curia. Recall that this rating is for leadership’s practices with regard to innovation. Perhaps Factor #2, whether management calls for innovation, or not, says it all with regard to innovation leadership. It does not exist.

The remaining 6 Factors, accounting for 32.5 – or 26% - of the total ‘CIOScore’, deserve further explanation.

- Factor #25 rates whether, within the organization, there are groups which either discourage or encourage innovation.

Schisms in the Church seem divided over the central issue of change - innovation. Most recent information suggests that there are strong differences between the Curia and those outside the centralized structure in Vatican City including those located throughout Rome. Reports of intrigue surrounding the Conclave further suggests that groups form around common interests respecting the need for change.

- Factor #16, measures the internal attitude to mergers, acquisitions, and divestitures.

This Factor seems irrelevant to the Church’s business, although this was certainly part of recent Anglican Church history. Organic growth is the chosen path for the Catholic Church.

- Factor #17 rates whether the organization allows for a degree of personal development or not. 3M and Google, for example have a policy of allowing/encouraging personnel to undertake personal development projects on company time.

It is clear in that the Church’s requirement for chastity, and non-engagement with the same sex, clearly calls for individuals to be totally devoted to the Church. In addition, a religious priest takes "vows" of poverty - to relinquish personal ownership and share possessions; chastity--not just to forego marriage as the vow of celibacy requires (which all priests take) but to strive for God-centered love; and obedience--to spread the gospel where requested. Sisters, nuns, as members of a religious order of women take vows of poverty, chastity, and obedience.

- Factors #21, 24, and 22 are a measure of the outcomes of the sum total of management’s practices which encourage, or discourage, innovation.

- F#21; retention of innovators, is a single indicator of the atmosphere in the organization for innovation but, as a measure, needs to be coupled with the notion of being able to attract new blood to the organization. New ‘blood’ is drying up at least at the level of priests and sisters.
- F#22; asks whether the organization has a reputation for innovation.
- F#24; provides a perspective on whether the trend in innovation is up or down.

Clearly, the Church has a problem with innovation as viewed from the developed world, less so from the developing world. The Church, as seen by most, does not have a tradition of innovation and relative to a changing world, the trend in innovation is at best flat. The developed world – U.S.A., Canada, Europe and the U.K. - would have the view that innovation is on the decline or, at best, flat. The developing world – Africa and South America (ex Brazil) would likely have an opposite opinion.

In summary, the high ‘CIOScore’ results from a negative rating – a high ‘Delta’ when compared with the ‘Ideal’ – for almost all 25 Factors. It is, however, likely that the Church would, should information be forthcoming, be rated even lower relative to the benchmark – the ‘Ideal’ – resulting in an even higher ‘CIOScore’.

Some would argue that the benchmark chosen for this review is too high a standard to apply to the Catholic Church at this time in its history. Nevertheless, the benchmark can be useful in identifying areas of major concern from a corporate perspective and can be used as in the future as a measure of progress. Closing the ‘gap’ is the priority! Progress in itself can be a motivator for taking even more corrective action.
Appendix C

Organization of the Church – from a management and corporate perspective

Highly-innovative corporations employ a set of management practices and organizational structures which are conducive to innovation. Practices do not stultify innovation. Concepts such as minimizing hierarchy, decentralization, responsibility and accountability are part of the structure. More recently, issues of governance and oversight have come to the fore along with the need for transparency and openness; for example the splitting of the roles of Chairman and CEO. Further, large corporations are rolling out their businesses internationally aiming at the big markets of Brazil, China, and India. The Catholic Church has similar international objectives.

As part of examining the organization of the Church it is obviously very important to recognize at least some of the major differences between a faith-based versus a corporate organization. In the Catholic Church the following represent some of these differences.

- Christ is the head of every local Church—there is no human head.

  The CEO is the appointed head of the corporation and reports to a Board of Directors which represents shareholder interests.

- The Bible is the only written creed, rather than a man-made written creed.

  Most corporations will have statement respecting core values and its overall mission, but these statements are subject to review and modification as need arises.

- Each local church is autonomous and self-governing.

  Subsidiaries of large corporate enterprises are often delegated with significant responsibilities and accountability to run their own show – but always within the guidelines, policies and practices agreed to with the corporate entity.

- There are no organizational ties between local churches.

  Subsidiaries will usually make every effort, encouraged by the corporate entity, to collaborate, meet, and share viewpoints regarding almost any corporate or local issue.

The last two precepts seem in conflict with the way that the Church is organized and manages its affairs. While each local church may be autonomous and self governing in some ways, it is hard to square this seeming delegation with the Rome-centric administration. Organizational ties among local churches are important as evidenced by the most recent attempts at grass root movements stemming from the concerns of local churches in the U.S. In the U.S., bishops meet twice a year and no doubt discuss local and broader issues impacting religious practices.

34 http://www.bible.ca/ntx-elders-pastors-bishops.htm
How do these developments and management practices square with the practices of the Catholic Church?

**Catholic Church Organization**

The Pope governs the Church through the Curia – part of the Holy See, which consists of a complex of offices which administer church affairs.

- Cardinal Bertone, appointed in September 2006, is the equivalent of a prime minister. Cardinal Mamberti, who was appointed at the same time, acts as the minister of foreign affairs.

- Only the latter and his administration are located within Vatican City, all others are located in different parts of Rome. The population of Vatican City is 921 all of whom are Catholic but this number is augmented by an additional roughly 2100 persons located throughout Rome.

- Curial institutions abound; the Congregation for the Doctrine of the Faith, Congregation for Bishops, Congregation for the Evangelization of Peoples and the Pontifical Council for Justice and Peace. Three tribunals exercise judicial power. The Prefecture for the Economic Affairs of the Holy See supervises the administration of all offices, whatever their degree of autonomy.

With respect to levels of hierarchy, the Church is, on paper, surprisingly decentralized. There are only three levels of control; World head, Diocese head and the local church. Structurally, the Pope is head of the Church with Bishops (2946 diocese, cathedrals) reporting to him. In turn Priests in 219, 583 parishes report to the Bishops.

There are close to one billion members of the Church reporting, in a sense, to the Priests. From an organizational point of view this represents few layers when compared to almost any larger corporation.

The Curia, the organization through which the Pope governs, is a complex inter-relationship of various institutions. Its responsibilities cause one to reconsider the concept of three levels in the Church and the degree of central control exercised by the Curia and the Pope. The variety and range of functions performed include;

- Oversight of doctrine
- The appointment of bishop world wide
- Overseeing missionary activities
- International and peace issues
- Judicial appeals

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36 Wikipedia
37 Holy See: A term that refers to the pope and the Roman Curia--the Vatican officials and offices that are responsible for the day-to-day handling of Church affairs and resources worldwide. In the Bible, there was no organization larger than the local church.
38 www.bible.ca
• Closing of parishes
• Removing someone from office
• Overseeing matters of conscience, such as granting of absolutions, dispensations, commutations,
• Condonations
• Favors
• Indulgences
• Finance and properties
• Papal household matters, audiences and ceremonies

All of these activities are, with some exceptions no doubt, centralized geographically in Rome.

While the levels of authority appear to be few – 3 in number – it is clear that the administration and management of programs, policy and much administrative detail is embraced by the Curia. From a management perspective, there is little delegation, authority or accountability - which normally goes along with delegation - outside of the Curia.

The Pope’s titles portray the breadth and depth of his responsibilities;

• Bishop of the City of Rome,
• Vicar of Jesus Christ,
• Successor of St. Peter,
• Universal bishop over all other bishops,
• Primate of Italy etc.

The Pope holds three positions in the Church; 1- a priest who preaches, 2 - Bishop of the Diocese of the City of Rome and 3 - head of the universal church. The Pope is the “Ruler of the Bishops”. The hierarchy is headed by the Bishop of Rome, the Pope, and encompasses Latin and Eastern Catholic Churches.

An Archbishop has no power over other bishops outside his own diocese. In power terms, there is only one man who can "fire" a bishop, namely the Pope, who appointed him in the first place. In sum, the Pope holds three separate ‘line’ responsibilities; Head of Bishops, Head of Diocese and Head of Parish. Bishops hold two offices; Head of Diocese and Head of the Parish. Priests are head of the Parish.

Matters some to a standstill during the election process for a new Pope; a further recognition of the influence of the office of the Pope. Canon law, under the Holy See, prohibits the College and the Camerlengo from introducing any innovations or novelties in the government of the Church on the occasion of the death of a pope or in Benedict’s case, his resignation. Decisions must await the appointment of a Pope. More recently Pope Benedict XV1 changed church law to allow the cardinals to start the conclave before the traditional 15-day waiting period; yet another indication of the power of the Pope.

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39 To overlook, forgive, or disregard (an offence) without protest or censure.
40 The Camerlengo administers properties and finances
In terms of numbers, the overall structure comprises one Pope, 2,946 Bishops/Dioceses and 219,583 Priests/Parishes. There are a total of at least 30 Roman Catholic denominations in the world.

The structure of the Catholic Church is enormous. The total number of Dioceses – referred to as Mother churches over parishes is 2946, and the total number of Priests/Parishes – referred to as local churches is 219,583. Examples by select country are set out below.

<table>
<thead>
<tr>
<th>Geographic Area</th>
<th>Dioceses</th>
<th>Parishes</th>
<th>Population in millions</th>
<th>Percentage Catholic</th>
<th>Catholics</th>
<th>Priests</th>
</tr>
</thead>
<tbody>
<tr>
<td>Italy</td>
<td>225</td>
<td>25,294</td>
<td>59.7</td>
<td>96.5</td>
<td>596,5</td>
<td>57.6</td>
</tr>
<tr>
<td>USA</td>
<td>194</td>
<td>19,081</td>
<td>285.5</td>
<td>22.6</td>
<td>64,6</td>
<td>64.5</td>
</tr>
<tr>
<td>France</td>
<td>98</td>
<td>18,844</td>
<td>58.9</td>
<td>75.5</td>
<td>44,5</td>
<td>44.5</td>
</tr>
<tr>
<td>Canada</td>
<td>71</td>
<td>4,865</td>
<td>29.5</td>
<td>44.3</td>
<td>13,1</td>
<td>13.1</td>
</tr>
<tr>
<td>Spain</td>
<td>70</td>
<td>22,680</td>
<td>42.3</td>
<td>87.8</td>
<td>37.2</td>
<td></td>
</tr>
<tr>
<td>Great Britain</td>
<td>32</td>
<td>3099</td>
<td>56.3</td>
<td>8.5</td>
<td>4.8</td>
<td></td>
</tr>
<tr>
<td>Ireland</td>
<td>26</td>
<td>1,312</td>
<td>5.5</td>
<td>76.1</td>
<td>4.2</td>
<td></td>
</tr>
</tbody>
</table>

The total number of dioceeses is 2946 and the total number of parishes is 219,583. There are approximately 412,236 priests and 1 billion Roman Catholics in the world.

Some Facts Related to the Roman Catholic Church. Catholic priests currently number over 400,000 worldwide. Of these, approximately 65% are considered diocesan priests (assigned to specific parishes within geographic regions) and 35% are considered religious priests (not necessarily assigned to a specific church community). It is now estimated that there are over 1 billion Roman Catholics in the world, representing over 17% of the global population. Although there is no church wide census, and there are various criteria for determining membership, scholars now estimate that Roman Catholics comprise nearly fifty percent of all "Christians" in the world. In 2001, there were approximately 63.7 million Roman Catholics in the United States.

Bishops (2,946), there is one Bishop per diocese – but could be assisted by other Bishops who rank under him as servants. There is no difference in rank between an Archbishop and a Bishop since the Archbishop has no power over other Bishops outside his diocese. The local church where a Bishop resides is known as a Cathedral (Mother Churches). An Archbishop is a bishop who controls a larger than average territory.

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41. The best way to think of a Cardinal is a cabinet member in the British or Canadian Government. The prime minister is like the Pope with total control. But there are also hundreds of elected officials called "Members of Parliament". Each "Members of Parliament", corresponds to a Bishop and rules over a specific territory. From this pool of elected "Members of Parliament", the Prime minister chooses his "Cabinet" of about 15 men to fill positions like, "Defense Minister", "Trade Minister", "Environment Minister". These 15 cabinet members correspond to "Cardinals". Just as Cabinet members have no power over other "Back Benchers" (non-cabinet members) so too Cardinals have no power over other Bishops. So Cardinals are Bishops with additional privilege but do not rank over anyone outside their own diocese. Cardinals act as an advisory panel for the Pope and elect the new pope when the current one dies.

42. http://www.bible.ca/catholic-church-hierarchy-organization.htm


44. http://www.allaboutreligion.org/catholic-priests.htm
There are no organizational ties on a national, provincial or state level. All Bishops are equal the world over.

There is one Priest for each of the 219,583 Parishes and each Parish has its own geographic territory. He answers to only two men; his Bishop and the Pope. Only two men can fire a Priest; the Pope or the bishop who appointed him.

Cardinals, an honorary title, are chosen by the Pope from Bishops but have no power in the Catholic Church and are not over Bishops or Priests. Cardinals, up until age 80, can vote for the election of a new Pope. The statement that Cardinals have no power must be taken with a grain of salt.

The Church is also the largest non-governmental provider of education and medical services in the world. The Church runs 70,544 kindergartens with 6.5 million pupils, 93 thousand primary schools with 31 million pupils and 44 thousand secondary schools with 17.8 million pupils. The Church runs charity and healthcare centers around the world; 5,305 hospitals – most of them (1694) in America - and 18,179 dispensaries again with most (5762) in America.

In 2001, the Holy See had a revenue of 422.098 billion Italian lire (about 202 million USD at the time), and a net income of 17.720 billion Italian lire (about 8 million USD). According to an article by David Leigh in the Guardian newspaper, a 2012 report from the Council of Europe identified the value of a section of the Vatican's property assets as an amount in excess of €680m (£570m); as of January 2013.

The table below provides a full description of the various positions over the period 1970 to 2010.

<table>
<thead>
<tr>
<th>World Data</th>
<th>1970</th>
<th>1995</th>
<th>2010</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total Priests</td>
<td>419,728</td>
<td>404,750</td>
<td>412,236</td>
</tr>
<tr>
<td>Diocesan priests</td>
<td>270,924</td>
<td>262,418</td>
<td>277,009</td>
</tr>
<tr>
<td>Permanent deacons</td>
<td>309</td>
<td>22,390</td>
<td>39,564</td>
</tr>
<tr>
<td>Religious sisters</td>
<td>1,004,304</td>
<td>837,961</td>
<td>721,935</td>
</tr>
<tr>
<td>Parishes</td>
<td>191,398</td>
<td>220,077</td>
<td>221,055</td>
</tr>
<tr>
<td>Parishes without a priest pastor</td>
<td>39,431</td>
<td>60,705</td>
<td>49,172</td>
</tr>
<tr>
<td>Catholic population</td>
<td>653.6m</td>
<td>989.4m</td>
<td>1.196b</td>
</tr>
<tr>
<td>Percentage of world population</td>
<td>18%</td>
<td>17%</td>
<td>17%</td>
</tr>
</tbody>
</table>

Trends within a select number of countries are provided below.

Within the U.S., recent trends have been as follows.

<table>
<thead>
<tr>
<th>United States data</th>
<th>1965</th>
<th>2012</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total Priests</td>
<td>58,632</td>
<td>38,964</td>
</tr>
<tr>
<td>Religious sisters</td>
<td>179,954</td>
<td>54,018</td>
</tr>
<tr>
<td>Parishes</td>
<td>17,637</td>
<td>17,644</td>
</tr>
<tr>
<td>Parishes without a resident pastor</td>
<td>549</td>
<td>3,389</td>
</tr>
<tr>
<td>Catholic population (self identified, survey based)</td>
<td>48.5m</td>
<td>78.2m</td>
</tr>
</tbody>
</table>
• Priests. After skyrocketing from about 27,000 in 1930 to 58,000 in 1965, the number of priests in the United States dropped to 45,000 in 2002. By 2020, there will be about 31,000 priests—and only 15,000 will be under the age of 70. Right now there are more priests aged 80 to 84 than there are aged 30 to 34.45

• Sisters. 180,000 sisters were the backbone of the Catholic education and health systems in 1965. In 2002, there were 75,000 sisters, with an average age of 68. By 2020, the number of sisters will drop to 40,000—and of these, only 21,000 will be aged 70 or under. In 1965, 104,000 sisters were teaching, while in 2002 there were only 8,200 teachers.

• For decades, so few men have become priests that in many cases, such as within the Archdiocese of Milwaukee, a priest is not assigned to every parish, however, there is a priest available sacramentally.

• Mass attendance has declined by over a third since 196046

Within the **U.K.** recent trends have been as follows.

• “Britain is showing the world how religion as we have known it can die,” Callum Brown told the Chicago Tribune. Brown is a historian at the University of Dundee in Scotland. He was pessimistic about the future, observing that after two generations of people with little experience of regular church participation, it will be difficult to turn the situation around.47

• The Chicago Tribune newspaper last May 11 examined the crisis of faith in Britain. The article noted that 72% of the British people called themselves Christian in the 2001 census, but only 8% regularly attend services.

• The number of Christians is down by 12 percentage points since 200148

• Average Sunday attendance has fallen for the past 20 years

Within **South America**, recent trends have been as follows.

• The percentage of Catholics declined slightly in South America from 28.54 percent to 28.34 percent of the regional population, and dropped considerably in Europe from 24.05 percent to 23.83 percent. In Southeast Asia and Africa, the percentage of Catholics increased in 2010 by just less than half a percentage point.

• The Region is home to about 40% of the total membership in the Catholic Church

Within **Africa**, recent trends have been as follows.

• There were only 29 million Catholics in Africa in 1962— the year that the Second Vatican began – and today there are 186 million. Africa has 40,000 priests, up from 15,000 in 1962 and 700 bishops, up from 40049.

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45 The statistics are originally from Kenneth Jones' Index of Leading Catholic Indicators. www.bible.ca

46 The Economist, March 9, 2013, Flocks and shepherds

47 Latest Statistics for the Catholic Church in England and Wales. From Thomas in England Christmas 2007 Update

48 The Economist – March 9, 2013

49 The Globe and Mail, March 12, 2013, African Cardinals to present a united front