

In Conversation with John Kimberly, Wharton Management Professor

Author : BrandKnew

Date : September 30, 2015



The Pope as CEO: Can He Shift Direction and Revive the Brand?

*The pope is very similar to a **CEO**. “He is at least nominally the **CEO** of what is arguably the largest and historically most successful corporation, firm, organization known to mankind,” says Wharton management professor **John Kimberly**. The Catholic Church is also “by most measures the wealthiest organization on the globe.” But given that the church as an institution has been around for a couple of thousand years, when a new ‘**CEO**’ like **Pope Francis** wants to change direction, he faces inevitable inertia, some worn-out traditions and outright opposition internally. So how can resisters be drawn into the discussion about change? How can a new pope attract new groups — and generations — without alienating “historically important demographics?” For any leader forging a new path, **Kimberly** noted a key question is this: “How much can we change and still be the same?” In this Knowledge@Wharton interview, first aired [on Wharton Business Radio on SiriusXM channel 111](#), **Kimberly** discusses these challenges. He is also the co-author of a book titled *The Soul of a Corporation: How to Manage the Identity of Your Company*.*

An edited transcript follows:

Knowledge@Wharton: With **Pope Francis** arriving here in the United States, many people have taken notice of the change that he’s trying to institute within the Catholic Church. The fact that he is discussing climate change, criticizing the church where needed — he might even be thinking about changing the church’s stance on divorce. It’s an amazing change for the Catholic Church. But it is also change of a size that not many companies would undertake.

This is amazing because we’re talking about a Catholic church that has gotten unbelievably negative attention over the last many years. And yet, we have a pope trying to make this change and coming to the United States for the first time in many years. It is an incredibly important time for the Catholic Church.

John Kimberly: I couldn’t agree more. And before we get started, let me make a claimer and a disclaimer. The claimer is – what I do for a living is worry about organizational change and **innovation**. That gets me up in the morning, keeps me going all day. And that is presumably

the reason why we're having this conversation today about the Catholic Church.

On the other hand, I want to be clear that I am not a Catholic myself. And I'm not a theologian. So I don't pretend to have any sort of insights or depth in the area of scripture and ecclesiastical pronouncements and so on. But what I do bring to the discussion is a perspective on change and **innovation**. And as you say, what's going on now in the Catholic church is nothing short of seismic.

Knowledge@Wharton: In many respects, the pope is the **CEO** of a massively large global company.

Kimberly: He is at least nominally the **CEO** of what is arguably the largest and historically most successful corporation, firm, organization known to mankind. The Catholic Church has been here for hundreds of years. It's by most measures the wealthiest organization on the globe. The number of people whose lives it touches in one way or another is huge. So yes, he sits at the top, at the apex of a huge, and by most measures, historically, up until recently, very, very successful organization.

Knowledge@Wharton: Your book talked about protecting **brand** identity, and building up **brands** – the pope is talking about trying to rebuild a **brand** ... because of it having been devastated and a lot of Catholics losing ... the trust they have in the Catholic church.

Kimberly: Well, that's an interesting question, to try to understand exactly what the pope is trying to do. Is he trying to rebuild the **brand**? And if he is, how's he going to be able to do that? I think what he is faced with is a number of challenges that have to do at one level with the **brand**, but also what's underneath the **brand**: That is, what specific actions the church is taking, on the one hand, and what kinds of strategic priorities the church lays out for itself in order to reposition itself.

In **marketing** terms, one of the things the church is faced with is repositioning itself in the minds of the public – consumers — if you will. One of the major challenges for the pope is to think about – and he has obviously thought deeply about this – how to do that. How do I move the needle with respect to this organization that's been around for so long, and has transformed so many people's lives, and re-energize it, reposition it, and bring it back to where it was, say 30, 40, 50 years ago before all the trouble hit?

Knowledge@Wharton: One of the differences when you make that correlation between the pope and a **CEO** is that realistically, does he have a board of directors that he has to answer to?

Kimberly: I think he probably answers to a higher power and it's probably not a board of directors. But there is a higher power to which I think he feels very responsible. When you look at some of the pronouncements the pope has made, I think he's put very clearly the fact that he's trying to reorient the priorities of the church, to make this connection between himself, the people of the church, and the higher power, more clear and perhaps redefined.

“I think he probably answers to a higher power and it’s probably not a board of directors. But there is a higher power to which I think he feels very responsible.”

Knowledge@Wharton: It seems he’s also trying to bring the Catholic Church, in some respects, into the 21st century.... There’s such a long tradition ... but now they use **social** media. To have a Pope that actually has a **Twitter** handle ... is a bit of an update — and he’s trying to reach a different demographic right now.

Kimberly: He is trying to reach both a different demographic, but also he’s got a really interesting challenge here because ... he also needs to be sure that he doesn’t lose the historically important demographics. One way to think about this – or at least the way I think about this – and this is true of any organization that finds itself in an environment that has changed and is trying to figure out how to stay in the game in a significant way – is, how much can we change and still be the same?

In a shorthand sort of way, this is part of the challenge the pope is facing now. Having a **Twitter** handle is just sort of a micro-example. But how much change of that sort and much broader sorts can be introduced into the Church, and still have everyone recognize it as the Catholic Church? That’s a real challenge. Climate change [is] another one of those areas that he has broached, that he would like to see more attention brought to than probably is given right now.

There are some issues that he’s addressed which are issues in some ways outside the Church but tied to the kind of philosophy that he is trying to articulate for the Church. Climate change certainly is one of those. There are other areas that he is sort of paying attention to, which have to do with the internal management of the institution – such as the changes that he’s making with some of the diocese around the globe right now.

Knowledge@Wharton: And [the pope is looking at] changes in the way the finances of the Church are being managed internally. We know there’s a lot of controversy about that. But he seems to be not only willing to take on the challenge of getting the financial house in order, but enthusiastic about doing so. [You also see it] when you look at the storm of controversy that was kicked up when it was revealed that a bishop in Germany had spent millions on renovating the bishop’s house in Leipzig, and the way that was handled. In a way, that’s very consistent with I think the message the pope is trying to send about being modest in the way we approach our lives and denouncing, playing down riches and avarice, and all of that. So, there are a lot of different messages on a lot of different levels that he’s trying to send, both internally within the Vatican — internally within the Church as a whole — and externally, with climate change, to the larger world.

So when you think about that agenda – it’s a multi-front agenda – you’re talking about a lot of issues ... how do you tackle that as a **CEO**? Not many **CEOs** have had to deal with this amount of change.

Kimberly: Absolutely right. At least the way I see what the pope is trying to do, he is trying to initiate change on a massive scale and across a number of different levels. He’s trying to

introduce change into the way the Vatican manages itself or is managed internally. He's trying to introduce changes within the church, and the way the church is organized and managed. And he's trying to make some statements that really go way beyond the church itself, and affect the way resources are used and abused on a global scale. So he seems to be unafraid to tackle these issues at a variety of levels.

...It's one thing to make public pronouncements. But he has been able to galvanize incredible amounts of interest and support for what he's doing. Look at what's happening right here in Philadelphia in anticipation of his visit ... all of the investment that's being made in making sure this is a secure and safe venue for him, to greet – and who knows how many — millions perhaps — of people are going to turn up for this.

“Did the College of Cardinals understand what they were getting when they elected Pope Francis? It's a very interesting question that transcends the issue of leadership change in the Catholic Church. It's a more general question about leadership change in general.”

Knowledge@Wharton: A million and a half, two million people, something like that.

Kimberly: When you think about influence, and the ability of a single person to exert influence, I don't know of anyone on the globe who has that level of potential influence, which he can use to advance a variety of agendas.

Knowledge@Wharton: And to being willing to ... not only want to try and push the agenda forward for the Catholic Church, but also to be critical of the Catholic Church in a variety of different manners. And that's an interesting aspect as well that in some respects does diverge from what we know of the Catholic Church, especially in the last 20-30 years, when it comes to the protection of the identity of the church.

Kimberly: This leads me to raise what to me is an interesting speculation. And that is, as we know, **Pope Francis** succeeded **Pope Benedict**. And we know that **Pope Benedict** was a more conservative pope. And we know that he actually resigned, which was something that's very, very unusual in the papacy.

And so one of the questions that I think about or wonder about is the College of Cardinals. Did the College of Cardinals understand what they were getting when they elected **Pope Francis**? It's a very interesting question that transcends the issue of leadership change in the Catholic Church. It's a more general question about leadership change in general. When whoever it is that's charged with determining the succession issue, whatever group it is that's charged with it, what are they trying to accomplish? And how much certainty can they have that whatever agenda they're trying to institute will actually be carried out by the person that they're electing or appointing?

The question in my own mind is, was there really some deep understanding of how far this new pope would go in advancing an agenda, a broad agenda of **social** change? I think his election

was **designed** to send a different message than was being sent by his predecessor. But who knows?

Knowledge@Wharton: It does give you the sense ... that maybe they had an understanding of who this person was, but maybe did not have a full understanding of where he would like to take the papacy, which may very well be two different things that we're talking about here.

Kimberly: Well, they're different, but obviously related. I think it is just fascinating to watch the way it's playing out. And like any sort of organizational change, no matter how big or small the organization is, when somebody comes in with a somewhat different agenda for the organization, there are going to be people inside who are supportive of the program, as it were. And there are going to be those who aren't, and who see the changes that are being instituted as in some ways threatening their own livelihoods, and their own agendas that they've built up over a period of time.

One can just imagine that internally, within the Vatican, and on a much broader basis across the church globally, **Pope Francis** has his supporters. There's no question about that. But there are also folks who are probably not as enthusiastic about this agenda. And so it's going to be one of his challenges, in terms of implementation – actually getting stuff done, getting things changed – to try to act in such a way as the people who are doubters or resisters are drawn into the discussion, and drawn into the change process.

Knowledge@Wharton: The fact that he is willing to talk about climate change, and he's even starting to maybe push the discussion forward about divorce, and the changes he'd like to make within the Catholic Church — from that perspective, he is trying to bring the people that are in the Catholic Church into the discussion. But he's also trying to bring back the people who may have left the Catholic Church.

Kimberly: I think that's right. What he's really trying to do, as best I can tell from the outside, is set an agenda for change.... Climate change itself is not necessarily a religious issue. It's not an issue that in any necessary way involves the Catholic Church, *per se*. But it is a huge moral issue. Are we being good stewards of this planet, and if not, what do we need to change in order to be better stewards of it? So again, setting an agenda on multiple levels here.

Knowledge@Wharton: He spent time in Cuba. And now he's here in the United States.... How much of the agenda do you think he will try and bring forth in his time here in the United States, and how much of it is just strictly his role as pope, just reaching out to the millions of people that may very well [see him] during his week here in the United States?

“Climate change itself is not necessarily a religious issue. It's not an issue that in any necessary way involves the Catholic Church, *per se*. But it is a huge moral issue.”

Kimberly: My guess is that we're not going to see any bold new strokes announced during his time in Washington and New York and Philadelphia. My guess is that he's going to use the

amazing platform that he has, with the speeches he's going to be giving in those three cities, and the amount of attention that these speeches are going to get – to reinforce some of the ideas that he's put out there already. I would be quite surprised if there were any startling new agenda items that he brings up. I think he's at a point now where he needs to focus on consolidating around a relatively fixed, finite number of issues, and build the support that he's going to need in order to move those issues forward in terms of actual changes.

Knowledge@Wharton: In terms of the ideas that he's trying to push forward, and being here in the United States, one thing that is seemingly being linked together is climate change because of what President Obama has said on the topic. And of course, there is the climate summit coming up in Paris in early December as well. So you're talking about the most powerful holy man on the planet, with probably the most powerful national leader on the planet as focused on the same topic.

Kimberly: What's interesting about this to me is that this is a highly political agenda into which the pope is willing to insert himself and the influence of the Church. And he's doing this in a way that is consistent with the church's position on the suitable use and responsible use of resources on the planet. But that he is willing to align with those who are concerned about climate change, I think is very significant. And it represents an entry into a highly political realm by an institution that doesn't necessarily have to do that.

Knowledge@Wharton: He has the opportunity to use his influence and his status to potentially affect change, at least in this area, which is something we haven't seen much from a pope before.

Kimberly: Exactly right. I completely agree with that.

Knowledge@Wharton: The issues surrounding the finances of the Catholic Church are well-documented — about the variety of items that are being sold off by the Catholic Church. You mentioned the issues over in Germany a while back. And obviously for people who live in the Philadelphia area – you may remember there was the story about the Catholic Church having a home down at the New Jersey shore, which they sold off as well, because they saw it as a luxury that the church shouldn't have. The financial aspect of running a company is one thing. The financial aspect of running this church, there's probably a lot more similarities than many people would probably believe.

Kimberly: Well, at some level that's probably true. And of course, another thing that is in play here is the relationship between the Vatican and the various local churches around the world. And there's a huge distance, obviously, between those two and the extent to which what comes out of the Vatican influences what happens on the ground in local parishes. There's an interesting dynamic there.

Some of the data about what's happening in the church around the world are obviously behind some of the pope's initiatives here. But when you look at, for example, the difficulty the church is having recruiting men to the priesthood, the dwindling number of nuns that are available, and the difficulty in recruiting young women to become nuns; when you look at the number of

parishes that are closing around the world and they're having to use priests to cover more than one parish at one time simultaneously; when you look at the closing right here in Philadelphia of parochial schools, the consolidation of parochial schools, the consolidation of parishes — a lot of this consolidation and a lot of these issues are driven by finances.

“Some of the data about what’s happening in the church ... are ... behind some of the pope’s initiatives ... for example, the difficulty the church is having recruiting men to the priesthood ... and young women to become nuns.”

Knowledge@Wharton: Is the Catholic education something that they can really use as a jumping-off point, to really take the Catholic church to that next level? Because even though Catholic schools here in Philadelphia and other spots are struggling and closing, they do present a certain level of stability that the educational system in a lot of areas in the country doesn't have right now.

Kimberly: ... I have some good friends who are practicing Catholics, and who have their children at Catholic schools – and they swear by the quality and the type of education that their kids get in these schools. And a couple of the friends that I have are themselves graduates of secondary education in Catholic schools. One of them actually graduated from a Catholic college. And they are willing to go to the mat with respect to the kind of quality and the character of the education that's provided by parochial schools.

And so I take your point, that maybe there's a possibility here in a context in this country where our secondary education system is in disarray and we have all sorts of problems with the quality of education, in the secondary education sector. Catholic schools, I believe, could have an important role to play there. The issue is, how do you re-energize the parochial school system, in the face of fiscal constraints and demographic constraints, which are forcing consolidation. That's a tough nut to crack. I think there's a possible way forward here, for sure. Exactly how to make that happen is not obvious, at least to me.

Knowledge@Wharton: It will be very interesting to watch everything that happens, especially this weekend here in Philadelphia. He's going to be saying Mass in front of the Art Museum. He's going to be speaking in front of Independence Hall.

Kimberly: My guess is, it'll play out very positively for him. I think he has a level of charisma and ability to relate to people that energizes them, that creates a sense of trust and hope and optimism. And the way he's trying to emphasize the kinds of challenges that the disenfranchised face, and trying to focus attention on the disenfranchised and reduce the gaps in income and all that sort of thing, I think will play very, very well here. And I imagine that there will be huge turnout. And I think people will go away from this weekend with a renewed sense of hope around what the Catholic Church is, and what it has to offer.

The question in my mind is, how is he going to build on this? You'll generate some momentum. Then there are some things that have to fall in place behind that, in order to sustain the positive movement. And there, of course, it relies on the people who are on the ground, who are here.

Knowledge@Wharton: The people in the parishes, and all the people that are running the parishes as well.

Kimberly: And the bishops and so on. And this is the challenge of change, where the rubber meets the road in change. You can have an agenda-setting **CEO**, if you will, who is charismatic and articulate and has a vision that is compelling. But it's all about execution, and how you take that vision and translate it into meaningful things that happen on the ground. And I think that's the challenge that faces the church.