

Future Directions

Conrad N. Hilton Foundation
Catholic Sisters Strategic Initiative



November 2017

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Executive Summary



Catholic sisters are selfless leaders in serving disadvantaged and vulnerable people. Their ministries are at the heart of global human development. With a global presence, and with particular growth in numbers in Asia and Africa, sisters are uniquely positioned to be even more effective and sustained leaders in meeting the needs of the world's poorest communities. Doing so will mean overcoming challenges, ranging from the financial complexity of an aging population, currently in the Global North but soon more globally, to the nearly universal need for improved formation, education and management within congregations.

Since its inception in 1944, the Conrad N. Hilton Foundation has supported the work of Catholic sisters. In 2013, the Foundation inaugurated the Catholic Sisters Strategic Initiative with a focus on building the internal capacity of Catholic sisters' congregations to improve leadership and membership, to strengthen collaboration among congregations, and to increase public understanding of the work of Catholic sisters. The initial years of grantmaking have underscored the importance of education and training in improving the operations of, and collaboration among, Catholic sisters' congregations and the importance of communications as a key element to sisters' success in their ministries. Grantmaking has also revealed the importance of improving sisters' ability to monitor and report on the results of investments that the Sisters Initiative is making in order to assess performance and impact.

In assessing directions for the next five years, the Sisters Initiative will make two adjustments. First, the work will emphasize learning across and among congregations globally rather than making a "North" and "South" distinction. Second, grantmaking will support new work in knowledge, ministry and services, and innovation. This more holistic direction – linking renewed investment in congregational capacity both to global networks and to local service capacity – will strengthen the ability of Catholic sisters to be leaders in human development. Four grantmaking "portfolios" are proposed as follows.

- **Sisters' Education:** increased numbers of sisters with higher education and the technical training of sisters, representing a continued focus both on planning and management as envisioned in current work, and extending that focus to specific technical and professional skills needed for human development ministries
- **Human Development Services:** capacity building in apostolic ministry and human services, in close coordination with the Hilton Fund for Sisters and building on human development sectors in which sisters have strong ministerial service and human resources assets
- **Knowledge:** development and management of data, to improve capacity to document the number of members, formation process, and ministry work of sisters, all of which are essential to understanding whether, and if so how, improvements are being attained
- **Innovation:** enabling of deep but higher risk investments to identify best practices, documenting impact, and then spreading those practices across congregations globally.

In all of these portfolios, communications, network development and leadership formation are constant objectives. To enable these adjustments, the Sisters Initiative will need to expand internal staff capacity, adjust the grantmaking process to more fully enable performance tracking, and provide technical assistance to its grantees in grant management and performance reporting.

From this articulation of future directions, the Sisters Initiative will develop a five-year grantmaking strategy that will articulate portfolio content, measurement approaches, and adjustments to internal capacity and processes to enable the next phase of the strategy.

“Be ever watchful for the opportunity to shelter little children with the umbrella of your charity; be generous to their schools, their hospitals and their places of worship. For, as they must bear the burdens of our mistakes, so are they in their innocence the repository of our hopes for the upward progress of humanity. Give aid to their protectors and defenders, the Sisters, who devote their love and life’s work for the good of mankind, for they appeal especially to me as being deserving of help from the Foundation...It is my wish... to have the largest part of your benefactions dedicated to the Sisters in all parts of the world.”

- Conrad N. Hilton



THE CONRAD N. HILTON FOUNDATION'S CATHOLIC SISTERS INITIATIVE

Future Directions 2018-2022



Background and Introduction



As an individual philanthropist, Conrad N. Hilton had a long history of supporting Catholic sisters over the course of his life. The Sisters of Loretto, who taught him catechism in New Mexico, were the initial recipients of his gifts, but other congregations soon followed. As a reflection of Conrad Hilton's own priorities, coupled with the stipulations of his last will and testament, from its inception in 1944 the Conrad N. Hilton Foundation awarded grants supporting the work of Catholic sisters. In addition, the Conrad N. Hilton Fund for Sisters was established in 1986 as a separate entity to provide grants for the apostolic work of Catholic sisters in direct service to poor people throughout the world, providing grants to sisters in 143 countries. Building on the African Sisters Education Collaborative, headquartered at Marywood University and funded through exploratory grants from the Conrad N. Hilton Fund for Sisters, the Catholic Sisters Strategic Initiative was established in 2013 within the Conrad N. Hilton Foundation to strengthen the vitality and capacity of Catholic sisters worldwide, with an initial focus on the United States and Africa.

The actions of the Conrad N. Hilton Foundation in this field are important. The Catholic Sisters Initiative is by far the largest funder dedicated to strengthening the capacity of Catholic sisters and their service to poor and disadvantaged communities. The Initiative's grantmaking over the last three years represents more than half of overall funding in this sector. As such, the directions of the Sisters Initiative have significant import for the context of philanthropic funding for Catholic sisters.

The 2013-2017 initial strategy of the Sisters Initiative set out three priority areas:

- **MEMBERSHIP:** the capacity to attract, form, educate and retain members
- **LEADERSHIP:** the capacity to exercise leadership effectively and develop new leaders
- **RESOURCES:** the capacity to attract and steward resources (physical assets, financial capital, social capital, knowledge).

Currently the Sisters Initiative makes \$17 million in annual grantmaking with a median grant size of \$500,000.

The objective of this analysis is to suggest the structure and approach that could anchor the Sisters Initiative grantmaking strategy for the next five-year period. The Sisters Initiative engaged over 200 stakeholders in more than 40 focus groups, meetings and interviews. These interviews and focus groups took place throughout the United States and in Italy, Kenya, Uganda and Zambia. Three quarters of the stakeholders were sisters. Organizational and subject matter detail is included in the endnotes.¹

These discussions, the landscape research, and the lessons learned from the initial period of grantmaking have led to a re-examination of the geographic lens for the work as well as of the content of the work itself. This analysis suggests the Sisters Initiative take a global rather than a “North-South” approach to strengthen learning and capacity across sisters’ congregations and conferences. It also suggests that the Sisters Initiative undertake new areas of work that are critical to building both organizational capacity and capacity for ministry and service. We suggest that the Sisters Initiative organize its work into four portfolios:

- **SISTERS’ EDUCATION:** to include all aspects of education and training that build capacity and leadership skills
- **HUMAN DEVELOPMENT SERVICES:** to include all aspects of human development service provision (services) in keeping with the lifelong commitment of Catholic sisters to the betterment of society (ministry)
- **KNOWLEDGE:** to include all aspects of data collection, data systems, and research and analysis
- **INNOVATION:** to include selected long-term, higher-risk investments, including non-grant forms of social finance, which might develop globally-applicable solutions to common financial and human resources sustainability problems.

Each portfolio is summarized in terms of

- Rationale
- Goal related to the larger five year goals of the Sisters Initiative overall
- Expected Outcomes
- The approaches that would guide grantmaking
- Possible initiatives in each portfolio.

Pursuing this direction for organization and content will require investments in staff capacity and internal systems. These are briefly described.

Finally, this future directions analysis concludes with a description of the additional considerations needed to develop detailed strategy for grantmaking content and organization. This will include a build out of the grantmaking approach and sequencing for each of the portfolios, the approach to building internal capacity and systems at the Sisters Initiative to support that more complex work, and the strategy for strengthening grantees’ own ability to track and document performance.

In its second report, the MEL partner raised 10 questions (contained in Attachment 1) about how the Sisters Initiative might approach its future work. These questions are answered and referenced within the document. We have also included full response to the 10 questions as Attachment 1 to this paper for the reader’s convenience.



Proposed Approach for the Catholic Sisters Strategic Initiative



Vision for 2030: Global Vitality to Lead Human Development

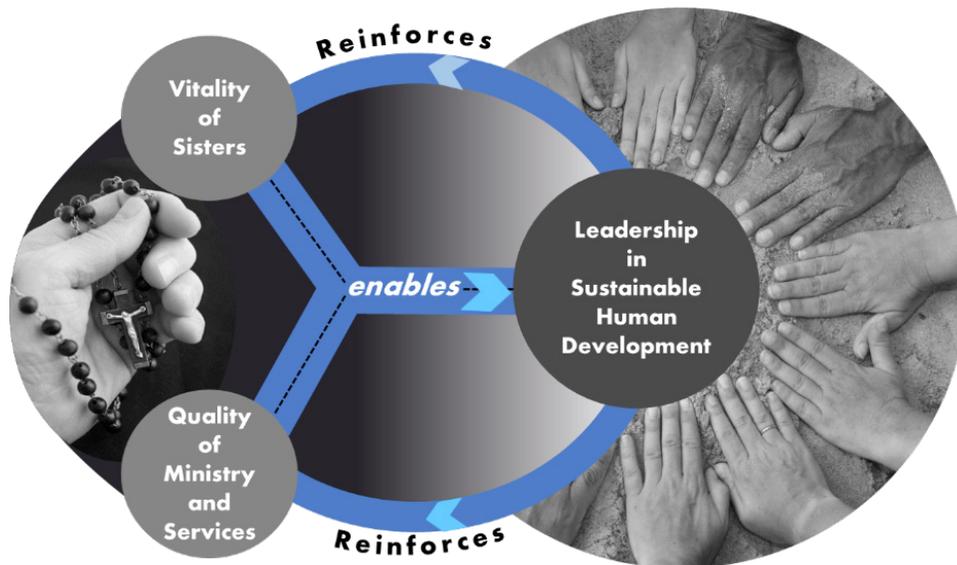
Catholic sisters as global leaders of sustainable human development grounded in the vitality of their spiritual witness.

The Approach

Strong, sustainable and skilled Catholic sisters' organizations, and educated, experienced and spiritually well-formed sisters, are more able to develop, lead and implement human development ministries. The visibility of their vowed commitment to their Catholic faith and its teachings, and the leadership and impact of their work also enables new recognition and relationships with lay women, which in turn can strengthen discernment and enable the acceptance of the spiritual call to sisters' vocations.

The relationship between the internal organizational capacity that generates vitality, the apostolic work of sisters in human development, and the global leadership that encourages discernment to vocation provides the framework for structuring the grantmaking of the next five years. [MEL Questions 1 and 3]

This framework is depicted in the schematic on the following page.



Vitality is generated through strong formation and the capacity to plan and implement human resources and financial strategies, all of which is built through education and networks, as well as through data and documentation systems. **High quality** ministries and the services that flow from ministry are created through professional capacity and the exposure to best-in-class work globally, and the data systems that allow sisters to understand the impact of their work. Together, these enable sisters to serve as leaders in human development. That **leadership**, in turn, reinforces both **vitality** and **quality**, and creates the opportunity for increased visibility and the types of engagement with the next generation that can promote discernment.

Leadership – the visible position of sisters as a skilled and vital community providing services that are essential for human development in affirmation of their lifelong commitment to societal wellbeing – is critical to sisters being seen and appreciated by the next generation of women discerning their vocational calling. In its first grantmaking period, the Sisters Initiative focused on vocations as a direct indicator of vitality. The number of vocations has, in fact, increased. It was a grant from the Sisters Initiative to the Center for Applied Research in the Apostolate at Georgetown University that enabled this number to be calculated on an annual basis for the first time. The Sisters Initiative will continue to monitor the size of the entrance class into congregations. Yet, there is no single factor at play. It is the tie between vitality of organization, reach and quality of ministry, and scale of leadership that is the ecosystem within which young women enter into a

period of discernment and from which vocations result. Hence, the focus of work will be this ecosystem, targeting not just the vitality of organizations, but the depth and breadth of ministry and the services and leadership that flow from ministry. All grants will integrate communications elements into the work in order to significantly raise the global visibility of sisters’ capacity, service and leadership.

Five Year Goals

With an eye toward the framework of analysis and long-term vision, the focus of the Sisters Initiative in the next five years would be to continue to build capacity for vitality and extend that capacity to mission and services, in ways that lead to external leadership opportunities and contribute to the discernment process of future sisters. There are five goals in that regard:

- Enhance the financial and human resources capacity and sustainability of congregations of sisters, their ministries, and their organizations.
- Increase collaboration and engagement to deepen sisters’ work in advancing human development.
- Amplify the impact of sisters in specific sectoral areas to improve health, education and livelihoods of children, families and their communities.
- Establish a prototype quantitative baseline of sisters’ organizational and human resources

capacity in five countries in Africa as a model for a global database for Catholic sisters and their human development role.

- Increase and disseminate all types of research and best practices regarding sisters' capacity and impact, including actionable evidence to improve practice and policy within congregations, conferences, and partners.

Guiding Principles

The Conrad N. Hilton Foundation has established core values that apply to all of its work, as well as criteria addressing donor intent regarding mandates and vulnerable populations, and a philanthropic approach regarding clarity and impact. In the approach to its work, the Sisters Initiative will adhere to all of these principles and build considerations of all criteria into its strategy. The Sisters Initiative adds four core principles that underpin its work.

- **RESPECT FOR THE VOICES OF SISTERS** - The focus of the Sisters Initiative is and will remain Catholic sisters. The Sisters Initiative will consult with Catholic sisters in developing the approaches to its work. The Sisters Initiative will act as a true partner to sisters in their unique role as vowed women in religious community and leaders in human development programs.
- **COLLABORATION** - The Sisters Initiative will pursue and value collaboration. This will apply both to work with grantees and other funders, especially the Hilton Fund for Sisters, as well as to its work with other areas and capacities of the Conrad N. Hilton Foundation. [MEL Question 8]
- **KNOWLEDGE SHARING** - The Sisters Initiative will openly share all knowledge and information created by its work, information both about best practices that are effective and about strategies that may not be successful.
- **SUSTAINABILITY** - The Sisters Initiative will give a priority to building into its work consideration of the financial, human resources, and organizational sustainability of its grantees and partners.



Grounding the Approach: The Catholic Sisters Landscape



In April 2014 the Foundation awarded the USC Center for Religion and Civic Culture (CRCC) a grant to serve as the Measurement, Evaluation and Learning (MEL) partner of the Catholic Sisters Strategic Initiative. The role of CRCC has been to evaluate the effectiveness of the grantmaking strategy in contributing to the vitality of Catholic sisters as they advance human development. CRCC's role is also to bring to the Sisters Initiative and its grantees models of success and opportunity areas for funding, as well as to cultivate best learning practices among Sisters Initiative grantees.

In that context, CRCC reports regarding the progress of the Sisters Initiative, as well as its overall landscape and field work in Africa, provide an extensive examination of the context affecting the membership, leadership and services of Catholic sisters, both in the Global North and in the Global South.² That work, and discussions with the CRCC team, provide a critical base for this summary.

A Changing World of Faith

Today, an estimated 31.5 percent of the world's population is Christian. By 2050, three quarters of the world's Christians will live in the southern hemisphere, with over a third living in Africa. Islam is the world's fastest growing religion and is projected to represent 30 percent of the world's population by 2050.³ Still, over 16 percent of people now report that they are not affiliated with any formal religious group.

About half of the global Christian population is Catholic, and the number of Catholics is growing. The geographic locus of the Catholic population has changed. In 2010, only 31 percent of the world's Catholics were found in the Global North, compared to 70 percent a century earlier.

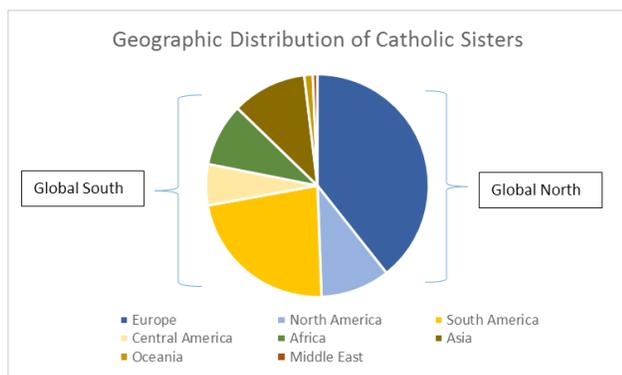
The world's Catholic population has grown by 57 percent since 1980; at the same time, in Africa the number of Catholics increased by 238 percent. The rate of growth of the Catholic population has also exceeded the rate of population growth in Asia.⁴ Growing wealth inequality, poverty, unemployment, educational access, political crises, hunger, gender parity, climate change and terrorism are enduring issues facing global society, with developing nations often most adversely

affected. Today 15.2 percent of the world’s Catholics live in Africa, representing 198 million Catholics. If population trends hold, by 2040, Africa will be home to 460 million Catholics, ⁵ many of whom may experience human development crises.

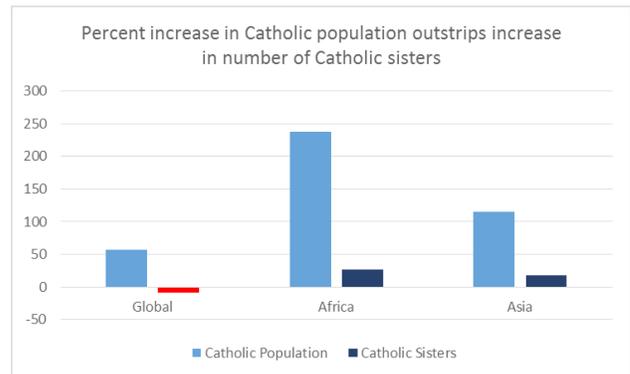
Catholic sisters are a constant in this changing global landscape of faith. Pope Francis himself has set the tone. Catholic commitment to poverty and human well-being means service is to all. Moreover, that commitment means service beyond the individual. *Laudato Si: On Caring for Our Common Home* positions commitment to impoverished people not simply in terms of one-on-one relief of individual suffering, but also in terms of conditions which impact the poor, such as the environment. Therefore, the lens of Catholic sisters is not on the belief systems of the disadvantaged, it is on the fact of their vulnerability as disadvantaged individuals and as part of all humanity.

Trends in Sisters’ Presence and Ministry

The number of Catholic sisters globally has declined from 1,004,304 in 1970 to 721,935 in 2013. ⁶ Just over half of the world’s Catholic sisters reside in the Global South, a concentration that will likely increase in the future. There has been a 9 percent decline in the number of sisters globally in the last decade, with the largest percentage decline (-27 percent) being in North America.



This decline has affected all regions except Africa and Asia, whose increases have been 26 percent and 18 percent respectively. ⁷ The growing Catholic population in Africa and Asia has been accompanied by an increased number of Catholic sisters. Yet, the rate of growth of the number of Catholic sisters significantly lags behind the growth of the Catholic population.



The challenges to sisters’ presence in the Global North, and the forces behind sisters’ expansion in the Global South, have been well discussed within the initial Sisters Initiative strategy and the first CRCC report on the Sisters Initiative. ⁸

The last decade has also been characterized by global mobility for sisters, with movement among regions to meet the needs of parishes and of social ministries. For example, 4,000 international sisters now serve in ministry in the United States. ⁹ These sisters have come from 83 countries across six continents, with over half coming from Asia and Europe. Half of those sisters were either sent by their superior for service in ministry or requested by a bishop for ministry, underscoring the importance of the global focus for sisters’ work that is the essence of Catholic commitment to human development.

The Institutional Ecology of Catholic Sisters

Communities of vowed religious men and women exist not only in the Catholic faith but in many other religions in various forms, both in Eastern and Western traditions. Such communities date to the earliest years of Christianity. Catholic sisters are one embodiment of such communities.

The terms “Catholic sisters” and “women religious” are used synonymously to refer to vowed women in the

Catholic Church. Sisters dedicate their lives to prayer and living the Gospel – living a life of holiness, by taking vows of poverty, chastity and obedience. Espousal of religious life is a vocation, not only a personal call to holiness but also a gift to the Church and society.

Catholic sisters live in an ecosystem of three types of institutions: their own congregations and networks of congregations; the Catholic Church; and the civic communities and institutions that are their places of residence and the focus of their apostolic ministries.

Communities of Catholic Sisters

A vowed sister is a member of the Catholic laity, not the ordained clergy. After a period of discernment, and the decision to commit to a vocation to religious life, sisters take vows of poverty, chastity and obedience. Individual sisters live within congregations each with an elected superior (congregational leader) who oversees internal matters of the congregation. Within those congregations, sisters continue to deepen their commitments to their vows and ministry through a process of “formation,” or continual study, contemplation, and learning about their spiritual and temporal commitment.

Congregations of Catholic women religious place differing emphases on active ministry in the world compared to a life of seclusion and prayer.¹⁰ While an emphasis on contemplative life and prayer can be combined with some element of active ministry, the focus of the work of the Sisters Initiative is on apostolic sisters’ congregations, i.e., those sisters whose calling is dominantly to active service to meet human development needs.

Each religious community has a particular “charism” or spirit and way of life which grows out of its history and traditions. These charisms are part of the congregational identity, and often set the sectoral focus of its ministry. So, for example, a charism that is focused on education aligns the congregation specifically with both formal education and informal literacy or public education services.

Many congregations also include lay associates, men and women who have not taken the formal vows of poverty, chastity and obedience, but who have commit-

ted themselves to the specific charism of the community and who often join extensively with sisters in prayer and service. There are now about 35,000 lay associates in Catholic sisters’ congregations in the U.S., 71 percent between the ages of 60 and 79.¹¹

Many congregations have deep roots in the history of the Church and are organized in provinces around the world. However, there is continued formation of new communities globally. In the United States, for example, over 150 new lay movements or communities of consecrated life have been founded since 1965, although most remain small, with fewer than a dozen members.¹²

Communities of sisters, and their leadership, are also organized into networks or associations designed to promote learning, communication and continued spiritual formation. The International Union of Superiors General (UISG), a worldwide, canonically approved organization of superiors general of congregations of Catholic women religious, was founded to promote an understanding of religious life globally. Within countries congregations are networked via leadership conferences (associations) where they learn, solve emerging issues and undertake continuing formation. National leadership conferences convene congregational leaders annually to learn and share best practices to improve all aspects of religious life and spiritual formation.

Sisters Within the Catholic Church

Congregations of sisters exist and work within the hierarchy of the Catholic Church. In the Roman Curia, which is the administrative arm of the Holy See, the Congregation for Institutes of Consecrated Life and Societies of Apostolic Life¹ is the dicastery responsible for all matters concerning congregations of consecrated and apostolic life including governance, discipline, studies, goods, rights and privileges. This dicastery links Catholic sisters to the Church. The Church recognizes various congregational forms of consecrated life. Diocesan congregations are under the canonical authority of the local bishop rather than that of the pope, and Pontifical congregations are directly under the authority of the pope. Although diocesan congregations are

1. For purposes of this paper, the terms “institutes” and “congregations” are interchangeable.

canonically under the jurisdiction of the local bishop, bishops have no authority in the internal life of a congregation.

In November 2014 Pope Francis declared 2015 as the Year of Consecrated Life exhorting religious “to read the signs of the time with eyes of faith, respond to the needs of the church, to look to the past with gratitude, to live the present with passion, and to embrace the future with hope.” Pope Francis recognized challenges facing various forms of religious life, including decreasing vocations and aging members (particularly in the Global North), economic problems, issues of internationalization and globalization, and the threats posed by relativism, a sense of isolation and social irrelevance. Yet he emphasized that religious should “wake up the world,” since the “distinctive sign of consecrated life is prophesy,” and added that he expected consecrated persons to examine their presence in Church life and to respond to the “demands of the cry of the poor.”

This vision of the role of sisters in the Church and in society will significantly influence the long-term effectiveness of sisters and their ministries.

Sisters Within Civic Community

Sisters are deeply connected to the communities they serve. Indeed, sisters are often from those very communities, and their families are often still community residents. Of course, sisters continue to respond to human development issues within the institutions of the Church, where they have historically taken lower salaries and made lifetime commitments to careers in schools, hospitals, orphanages and parishes. Yet, congregations of sisters also engage in apostolic work outside of Church settings, working closely with governments, local and international nonprofits, and international institutions in addressing the needs of the disadvantaged. They are part of the fabric of civil society wherever their ministries take them.

Sisters and Sectors of Human Development

A World of Persistent Poverty

While progress in human development has been made, the remaining challenges are enormous. A full review

is not possible here, but a few illustrations, reflecting areas of particular intersection with the work of sisters – education, health and child welfare – provide a sense of the needs to which Catholic sisters minister globally.

EDUCATION: Worldwide, over 121 million children do not attend primary and secondary school.¹³ 303,000 women die annually because of complications connected with pregnancy and childbirth; almost 6 million children die before the age of six; 2 million people are newly infected with HIV, and there are 9.6 million new cases of tuberculosis and 214 million cases of malaria; 1.7 billion people need treatment for neglected tropical diseases. Even as infectious diseases continue to cut a swath through poor populations, more than 10 million people die before the age of 70 because of cardiovascular diseases and cancer. Cardiovascular and cerebrovascular death rates in the working-age populations of emerging economies exceed those experienced in industrial economies half a century ago.¹⁴

HEALTH: 156 million children under the age of five are stunted and, ironically, another 42 million children under the age of five are overweight. Some 1.8 billion people drink contaminated water and 946 million people do not have basic hygiene facilities. The link to the environment is critical: 4.3 million people die because of pathologies connected with pollution caused by cooking fuels, and 3 million people die due to outdoor pollution.

HUMAN TRAFFICKING: Human trafficking and the plight of refugees and those seeking asylum are enormous. An estimated 21 million people worldwide are victims of human trafficking, 20 percent of whom are children.¹⁵ There are 65 million forcibly displaced persons worldwide, 22.5 million refugees, and 10 million stateless persons.¹⁶

AFRICA: The human development situation in Africa remains a challenge. 41 percent of the people of Sub-Saharan Africa live in extreme poverty. Nearly a quarter of the population is malnourished, and rural starvation in places like Kenya and Tanzania exists alongside growing economies. Women in Africa are particularly vulnerable: 510 women die per 100,000 live births, the highest maternal mortality rate in the world. The region continues to be disproportionately affected by

challenges such as HIV. More than 70 percent of the world's people living with the disease are in Sub-Saharan Africa. 33 million of the world's 57 million out-of-school children are in Sub-Saharan Africa.¹⁷ Of the 55 million out of school in sub-Saharan Africa, 10.5 million may be in Nigeria alone.¹⁸

Child marriage continues to be a challenge, with 39 percent of girls in Africa being married off before age 18. Between 2011 and 2020 it is estimated that 140 million girls will become child brides.

In parts of Africa, nearly 100 percent of the human trafficking victims are children.¹⁹ Sub-Saharan Africa hosts 26 percent of the world's refugees, and 16 million Africans flee their homes each year to escape war, violence and poverty.²⁰

Catholic Sisters and Human Development Service

Such human development crises are coterminous with the ministries of Catholic sisters, who have served those in need long before governments or other non-governmental organizations arrived on the scene. Those ministries predate global frameworks for development, and they continue to represent a significant resource for nearly all aspects of human development. Sectors within which sisters work include, but are not limited to, health, education, agriculture, social services and public advocacy.

Moreover, sisters often have assets beyond their services that can be brought to bear on problem solving. In Africa, for example, sisters' congregations often own land in rural areas. With knowledge and skills, that land can become part of their human development service strategy by being brought into agricultural production to ease food insecurity. Sisters' land could simultaneously provide sites for demonstrating productive agricultural techniques to surrounding farmers and villages. Sisters in Africa also direct and operate more than 2,000 homes for children and disabled people, and over 8,000 education institutions that serve more than 35 million children from kindergarten through secondary school.

A challenge is that there is no recent, comprehensive

database on the ministry distribution of Catholic sisters. At the 2016 Catholic Sisters Initiative Convening in Kenya, participating sisters, primarily from Africa, reported the highest level of activity in relationship to the United Nations Sustainable Development Goals to be in health and education, where three quarters of participating sisters engaged in program activity. Hunger alleviation; gender equality and the care of women, children, and young girls; and peace and justice advocacy also ranked as significant areas of sisters' ministry.²¹

In the United States, the most recent survey on ministry was published in the early 2000s, based on 1999 data, by the Leadership Conference of Religious Women. The study found that, before assuming leadership roles, over half of sisters were engaged in education and health sectors. After a period of congregational leadership, their roles shifted more inward to parish ministry, retreat direction and service within their own institutes.²²

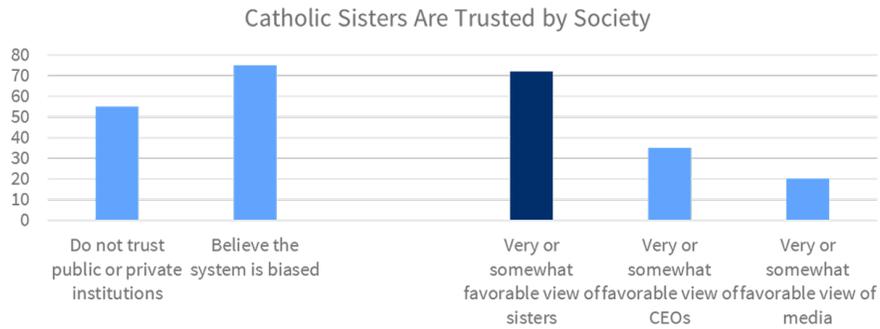
An examination by Changing Our World of the 51 congregations in the United States with 200 or more members found similar concentration in health and education, with 40 percent of the congregations still operating schools and hospitals.²³ In social services, the most frequent areas of service involved housing and homelessness.

A study of the apostolic work of congregations created since 1965 in the United States, however, found that work in traditional sectors such as health and education is giving way to work with youth and to evangelization.²⁴

The Unique Value of Sisters in Human Development Service

Catholic sisters are unique leaders on the contemporary landscape of social problem solving, and they can also be a unique expression of the dedication of the Conrad N. Hilton Foundation to disadvantaged and vulnerable people.

They are testimony to faith. Their vows of poverty, chastity and obedience underscore their dedication to the good of the people they serve, and that dedication



provides evidence to all of selfless leadership. Catholic sisters are trusted in a world of rising skepticism. The 2017 Edelman Global Trust Barometer²⁵ has shown the decline in institutional trust to be at unprecedented levels. More than half the people in more than half the world’s countries do not trust either public or private institutions. Three quarters of people, even those who are educated and informed, believe the “system” is biased against “regular” people in favor of the rich and powerful. 56 percent of people trust a search engine more than a spokesperson.

Countering that trend, research shows that Catholic sisters are highly trusted, even by those who do not know a great deal about Catholicism or the work of sisters. Commissioned by the Sisters Initiative, a 2015 survey by Anderson Robbins Research²⁶ found that 72 percent of responders had a “very” or “somewhat favorable” view of Catholic sisters and nuns compared to 58 percent toward the Catholic Church overall. Catholic sisters and nuns are more than twice as likely to be trusted compared to CEOs and business leaders, and two and a half times as likely to be trusted as the media.

Sisters dedicate their lives to their ministries, often in extremely difficult circumstances and with few resources. That is part and parcel of their faith and of their vocation.

Critical Issues

Challenges

DEMOGRAPHICS AND LEADERSHIP: Demographic change represents a current challenge in the Global North. In the U.S., for example, only 9 percent of sisters are 60 years of age or younger. This will become

an emerging challenge in other nations as their populations grow older, in the near term in South America and in the medium term in Africa and Asia. The demographic challenge of aging sisters represents a hurdle to the vitality of sisters’ organizations both in terms of the numbers of sisters and in terms of the organizational and financial strategies needed to care for aging sisters.

EDUCATION AND LEADERSHIP: The efforts of organizations such as the African Sisters Education Collaborative have made headway in sisters’ education, with more than 1,300 sisters from more than 487 congregations from 10 countries having graduated from higher education programs or still in process. Yet, in Africa 80 percent of sisters lack any higher education credentials. Moreover, changing government regulations now require professional credentials in many areas of service provision, making continuing education and certification mandatory. Building education capacity, and making it sustainable for the long term, remains essential.

Life-long spiritual and community formation is also essential. Sisters are now engaged in more intense and complex ministries, perhaps facing problems their formators never did. Moreover, sisters entering religious life today are well aware of new modes of information, communication and technology, all of which affect the vitality of religious life and most of which are beyond the early experiences of their formators. Therefore, if sisters are to engage in a spiritual journey that leads to authentic religious life in a globalized society, a spiritual journey that is at the heart of the commitment to being a sister and to the work of human development, the process of formation must also be understood and improved.

Leadership development has been a critical focus for the Sisters Initiative, with some success. For example,

48 percent of the alumni of SLDI courses received a promotion after finishing their education, and 54 percent were asked to participate in leadership activities. The leadership challenge is not only denominated in terms of learning, however, but also in terms of processes for bringing younger sisters into positions of leadership in congregations and conferences of sisters, as well as accommodating the increasing cultural and ethnic diversity of sisters into the leadership structure of congregations and ministries and the larger global and national leadership conferences. The estimated 4,000 international sisters in ministry or education in the U.S. represent a tremendous resource for the Church, an example being the work that Latina sisters now carry out in parishes in the United States with growing Hispanic populations.

SUSTAINABLE RESOURCES: Resources and sustainability are challenges globally. Where demographics have reduced the number of sisters in ministry, the resource challenge demands strategy to address the affordability of aging. Where sisters' numbers are growing, the challenge is creating resource growth sufficient to support the number of new sisters, their stages of spiritual formation, their further education, and their ministries.

VISIBILITY: Visibility remains a challenge, especially where sisters have few precedents for being leaders in broader civil society. Sisters historically have focused on carrying out their work, not on lifting their work up to the public eye. Humility and invisibility are often inter-changeable concepts. Becoming strategic leaders, and attracting media and public attention to that role in order to bring ministry into public actualization, is a challenge.

Opportunities

COMMITMENT: Sisters place an emphasis on all of society for as long as it takes to create better communities. The reliability of Catholic sisters, their lifelong commitment to human betterment that is centered in their faith, if deeply enabled with expanded skills and capacity and brought forward in leadership, provides the opportunity for long-term social problem solving.

GLOBAL LINK TO LOCAL WORK: Disadvantaged and

vulnerable people are the heart of ministry for Catholic sisters. Frameworks such as the Sustainable Development Goals are not new to sisters' work. They have long been sisters' work. The SDG platform, however, provides a mechanism for harnessing that work to global strategy and measuring progress. Sisters as a global network of local commitment are effective partners for global priorities that must be effectuated locally.

PARTNERSHIPS: The commitment and experience of sisters on the ground provide an opportunity to tie capacity with their specific services to other organizations. Partnership can enable scale, but it must also strengthen the local work that is an extension of sisters' faith and the essence of their commitment to those in need.

KNOWLEDGE: Through the last five years, the Sisters Initiative has built up a wealth of experience in how best to build the capacity of Catholic sisters to broaden and deepen their organizations and their work for the disadvantaged. This platform of knowledge can now not only launch more intense effort, but also be used to broaden knowledge in the Church and other funders about the critical work of Catholic sisters, their needs and their potential.

COMMUNICATIONS: Investments to date, noted below, have also created the infrastructure for global communications about Catholic sisters and their work. That infrastructure can now be spread across all portfolios to position sisters as human development leaders. In turn, that leadership, embedded in their continued core spirituality as the inspiration for their work, can be communicated to strengthen the discernment of women considering religious life.

IV.

The Learning Platform for the Approach: The First Five Years



2013-2017 Strategy Objectives

The first three years of grantmaking of the Sisters Initiative were focused on building membership, increasing leadership, and establishing resource strategies for sisters' congregations. The strategy made a distinction between the Global North (largely North America) and the Global South, and established objectives and metrics accordingly. These are summarized in the following table.

	Global South	Global North
Membership	Increase number of sisters with postsecondary credentials	Increase number of women who enter religious life
Leadership	High percentage of sisters with leadership training assume leadership positions	Increase number of qualified leaders under 60
Resources	More congregations engage in effective financial planning	Higher percentage of congregations are more than 60 percent funded in retirement liability

Grantmaking Data and Results (as of September 20, 2017)

In its first five years of work, the Sisters Initiative has made over \$101.1 million in grants in support of 56 organizations.

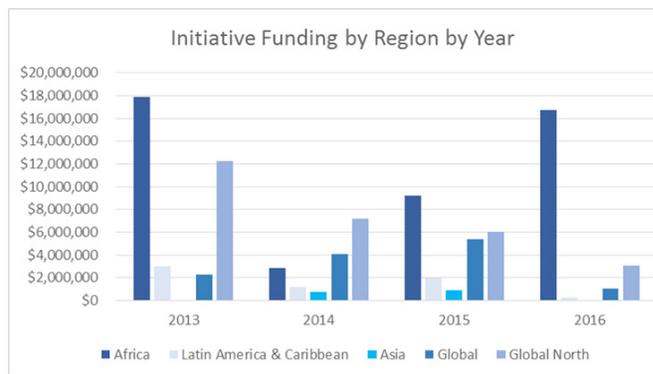
While the largest number of grantees has been in the Global North, the largest amount of funding has been in the Global South, with Africa receiving the largest dollar amount.

The second Measurement, Evaluation and Learning report of CRCC²⁷ provides detailed, quantitative and qualitative information on the results of Sisters Initiative grantmaking. Those data will not be repeated here except in summary.



In building capacity in the Global South, the Sisters Initiative has

- Increased the number of sisters in the Global South with post-secondary credentials that prepare them for ministry and for leadership. In many countries, such educational levels are becoming part of government regulatory requirements for service providers.
- Increased the percentage of sisters with leadership training who assume leadership in their congregations, with trained leaders then mentoring over 20,000 mentees in leadership skills
- Increased the use of business and financial planning in congregations.



In the Global North, the Sisters Initiative has

- Supported membership expansion through media campaigns, supported use of a Life Satisfaction Scale for women religious, funded research to understand public perceptions and supported a variety of outreach and social media efforts
- Supported leadership learning and networking for sisters under the age of 50
- Demonstrated that increased knowledge and skills can improve retirement funding.

Lessons from the First Five Years of Grantmaking

Through the first five years of grantmaking, the Sisters Initiative has learned much about the needs of sisters and about the ways in which philanthropic grantmaking must be structured to meet those needs.

The implications of these learnings, together with the conversations and research conducted in preparation for consideration of options for adjusting the work of the Sisters Initiative, have given rise to the following approach.

Lessons About Sisters Needs		
	LEARNING	IMPLICATIONS
CAPACITY LIMITATIONS	<p>Limitations in capacity represent a central barrier to growth and vitality in most congregations and conferences of sisters. Capacity limitations include:</p> <ul style="list-style-type: none"> • Education and skills • Knowledge sharing • The spiritual health and physical well-being of sisters • Tying internal capacity to external ministry 	<p>The Sisters Initiative must stay the course on capacity development, but expand the lens to include health and spiritual well-being.</p>
NETWORKS AND COLLABORATION	<p>Sisters value working together, both to share knowledge in networks, and to collaborate together in problem solving. There is opportunity to do so between the North and the South, and among various settings in the South, both for internal capacity and to get ministries to scale.</p>	<p>The Sisters Initiative needs to stay the course on emphasizing networks and collaboration in carrying out its work. However, it also needs to invest in innovations and best practices in those networks, to determine “what works”</p>
SUSTAINABILITY	<p>A common concern is that Sisters in all settings face resource constraints, both in terms of the skills addressed through capacity building but also in terms of the financial resources needed to ensure future organizational stability and vitality.</p>	<p>Grants to create and strengthen capacity must also be accompanied by planning for sustainability.</p>

Lessons about Grant Strategy and Internal Capacity		
	LEARNING	IMPLICATIONS
GLOBAL PERSPECTIVE	<p>There is much to share and learn across groups of sisters regarding such common problems as financial resource management, human resource management, the implications of an aging sisterhood, and physical and spiritual health.</p>	<p>A global rather than a North-South perspective will provide long-term leveraged organizational and ministry effectiveness.</p>
FIELD BUILDING	<p>The Sisters Initiative is building a new field of study and action, even as it invests resources in concrete projects to strengthen sisters’ organizations. The Sisters Initiative itself has become a leadership hub of data and experience, providing a reservoir of expertise both to sisters’ organizations and to other funders.</p>	<p>The importance of a strong base of data on sisters and their work cannot be overemphasized. Data and knowledge management are critical to grant strategy and global perspective as are resources to make that knowledge available globally.</p>
COMMUNICATIONS	<p>Opportunities for visibility cut across all work of the Sisters Initiative. Communications cannot be a grantmaking silo.</p>	<p>Communications must be a required, integrated element of all areas of work if it is to be maximized in lifting visibility.</p>
THE IMPORTANCE OF TIME	<p>The limited capacity in many sisters’ organizations, and the depth of the challenges even where capacity exists, means that small, short-term commitments are not as likely to be effective as is longer-term, more intense support.</p>	<p>The timeframe for resource commitments, and the timeframe for assessing results, often will need to be multi-year.</p>
INTERNAL SYSTEMS AND SKILLS	<p>The internal organizational and financial capacity of sisters require considerable technical support in applying for and managing grant resources, as well as in gathering data in support of performance measurement.</p>	<p>Emphasis on impact means there is a need to support grantees more deeply with systems of performance and measurement.</p>
BALANCE	<p>Allocating resources to the huge and little understood problem of the internal vitality and ministry effectiveness of sisters requires balance. There is a need to balance support for complex problems with deep roots where impact may be extremely long-term with support for more immediate opportunities where the role of sisters is growing and will grow in the future.</p>	<p>Striking a balance between the near- and long-term, between areas of strength and areas of weakness, between traditional problems and emerging challenges requires flexibility in grant-making.</p>



Structuring the Approach: Capacity Building Through Four Portfolios

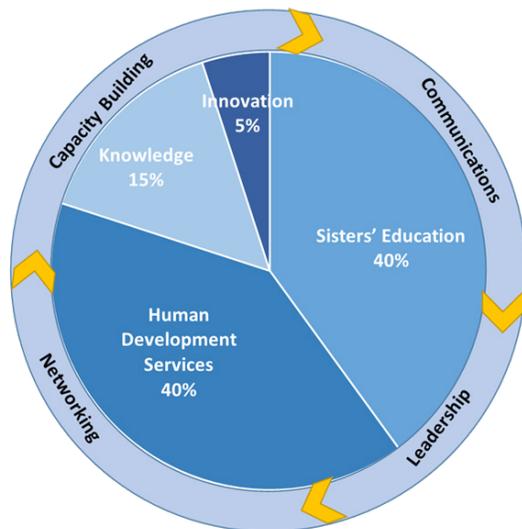


As noted in the Introduction and detailed in Endnote 1, starting March 2017 the Sisters Initiative, CRCC and Changing Our World were involved in a wide variety of interviews, focus groups and research to inform the approach going forward. Grantees, staff, Foundation leadership, Catholic sisters, Leadership Conferences, Conferences of Bishops, NGOs and government representatives, and MEL learnings from the first five years of work were key in informing the landscape analysis. All of these discussions argued for a structured approach to grantmaking that would continue to build sisters' capacity and sustainability, but also tie that work to their services and to a formal body of data that could inform the work of all funders going forward in this new field of work.

The purpose of the Sisters Initiative is to increase the vitality of Catholic sisters, strengthen congregations and conferences, and advance human development as anchored in their charisms. In organizing its work within that purpose, it is proposed that the Sisters Initiative would gather its grantmaking strategy into four portfolios. These portfolios reflect the lessons learned from the first five years of work as well as the interviews and focus groups which identified critical capacity and ministerial needs of sisters in carrying out their commitment to human development. They are:

- **SISTERS' EDUCATION:** to include all aspects of education and training that build capacity and leadership
- **HUMAN DEVELOPMENT SERVICES:** to include all aspects of human development service provision
- **KNOWLEDGE:** to include all aspects of data collection, data systems, and research and analysis
- **INNOVATION:** to include selected long-term, higher-risk investments, including non-grant forms of social finance, which might develop globally-applicable solutions to common financial and human resources sustainability problems.

Four functions are shared across these portfolios: leadership, networking, capacity building and communications. All grantmaking portfolios will include these four elements. This will enable the substantive targets of the work to contribute to these common elements of sisters' vitality, ministry and leadership.



Each of the portfolios will have specific measurable objectives that will drive toward the 2030 Vision and at least one of the five-year goals. The schematic above represents the approximate distribution of resources across the portfolios.

Implementation Choices: Dimensions and Definitions

Within each of these portfolios there must be balance regarding a series of options about structure and focus. Of course, rarely are these choices binary; they represent a spectrum of intensity that must be balanced within any single area and across all areas of grantmaking. The combination appropriate to achieve one objective may be different from the combination needed to achieve another objective.

The five spectrums of implementation options considered across the grantmaking structure and to be applied to each portfolio and its approach could include the following.

- **EXPERIENCE:** How shall the Sisters Initiative combine building on the base of existing work,

making major changes, and/or beginning something new?

- **INTENSITY OF INVOLVEMENT:** How shall the Sisters Initiative balance high touch areas requiring intense management with high leverage efforts that place more of the reliance on experienced grantees who can achieve impact with less cost?
- **GEOGRAPHY:** How shall the Sisters Initiative balance local needs and actions (in a country or a particular area of a country) with a broader global perspective that addresses a problem across boundaries or ties a local initiative to larger global solutions?
- **TIME:** What is the balance between short-term grantmaking and long-term, sustained support for problems that will require long arcs of time for change?
- **FUNDING LEADERSHIP:** There are many funders of global human development, but there are few funders in this new sector of Catholic sisters' capacity and role. When should the Sisters Initiative simply fund alone, and when should co-funding be a necessary part of the work?

The section which follows will demonstrate how each of the proposed portfolio areas might use a mixture of implementation choices along the spectrum to structure the approach to grantmaking.

Description of the Portfolios for a Balanced Approach

The sections which follow will describe each of these portfolios in terms of its relationship to the choices described above. The description will briefly touch on the elements of grantmaking included in each portfolio, although the specifics of the grantmaking approach to each portfolio will be addressed in the 2018 strategy document.



Sisters' Education

RATIONALE: The Education portfolio will build on and extend the work of the past five years of the Sisters Initiative. It will focus on systems improvement; building sustainable, well-managed organizations; improving technical and professional skills; and ensuring spiritually well-formed sisters. This emphasis on education, professional training, and spiritual formation will drive toward both the vitality of sisters' congregations and their capacity to provide best-in-class service to disadvantaged and vulnerable populations [MEL Questions 1, 2, and 6]

GOAL: Increase the financial and human resources capacity needed to sustain congregations of sisters, their services and their organizations.

OUTCOMES: The measurable outcomes of this portfolio are complex because of the range of elements inherent in expanding the skills of individual sisters and improving larger institutional systems. Outcomes will include:

- Increased educational qualifications of sisters
- Life-long formation programs in congregations to ensure membership sustainability
- Improved management and finance of congregations for vitality and sustainability
- Strengthened global network and sharing of best practices
- Increased numbers of sisters in leadership roles in global human development.

IMPLEMENTATION CHOICES: This portfolio will dominantly build on current experience albeit not necessarily always with the same grantees from the past three years; effectiveness is a critical criterion for partner selection. [MEL Question 10] Implementation will focus on leverage and be global in nature. It will

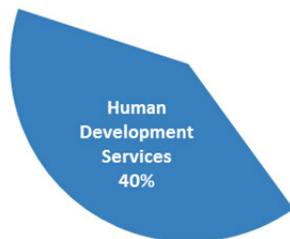
have a mix of short- and long-term commitments as required by the specific situations of specific organizations. While open to co-funding from other donors, because it is inward-looking to sisters' organizational capacity, this portfolio will likely be reliant on Sisters Initiative resources, given the minimal investment of other funders in this space.

ELEMENTS: This portfolio would encompass work in the following areas, with each area having aligned objectives against which grantees will report.

- Building the internal capacity of congregations through sisters' education of all types and levels, internal planning systems capacities (strategic, business, financial and human resources), and leadership skills
- Expansion of access to higher education
- Initial and continuing formation programs that strengthen both congregations and conferences in their support of lifelong spiritual formation of sisters
- All other types of training deemed appropriate and necessary, as well as linked to objectives and initiatives in the other three Sisters Initiative grantmaking portfolios, including skills of lay associates in sisters' congregations [MEL Question 3]
- Communications and networking strategies for lifting the visibility of stronger sisters' organizations and leadership in ways that contribute to increased discernment by young women considering religious life.



Human Development Services



RATIONALE: The Human Development portfolio would extend the work of the Sisters Initiative into sisters' service. This would be carried out with great focus to ensure concentration of effort, and would be implemented with an emphasis on partnership to ensure that the portfolio builds on, but does not duplicate, the efforts of others.

More than 40 focus groups and 150 individual interviews and discussions held around the world over the last year have confirmed that sisters engage in a wide variety of human development services. The problems addressed represent the full spectrum of causes and conditions of poverty. As illustrated in Section 3 of this report, the need is enormous, and Catholic sisters strengthen human development and fight poverty on nearly every issue confronting disadvantaged and vulnerable people in nearly every country in the world. Hence, linking the strengthened capacity of sisters to their work is a logical extension of the Sisters Initiative, and can provide an added opportunity for the types of relationships and engagement with young women that can lead to vocation discernment.

In the face of that enormity, the Sisters Initiative will focus on sisters and their local work in a limited number of sectors in a limited number of countries. In keeping with the global perspective, this support, however, will also bring to these individual settings best practices of sisters in other regions of the world (e.g., youth entrepreneurship strategies in the United States).

A global focus will characterize some support where problems are cross-border in nature (e.g., human trafficking, Laudato Si environmental advocacy, migration). In these cases, the emphasis will also be on tying the ministerial work to sisters' capacity and to cross-border learning among large numbers of sisters. [MEL Question 7]

The work will focus on sectors which are at the in-

tersection of critical human development needs and sisters' significant and historic service strength. Priority sectors are education, health, and the wellbeing of disadvantaged and vulnerable children, mothers and families. [MEL Questions 4, 5 and 7]

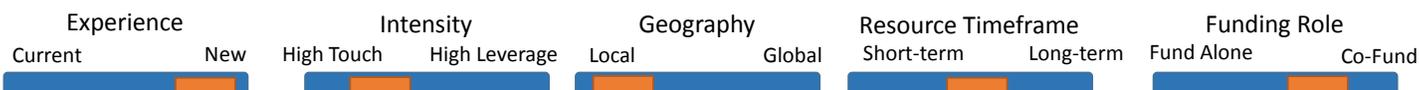
While specific and limited, sectors of support could include a variety of human development problems beyond the traditional lens that are dictated by evidence-based community assessments and conversations completed by the Sisters Initiative and the MEL partner in preparation for this report. Health, for example, could include the rising rates of death and disability from early-onset non-communicable diseases. Education could include youth substance abuse. Child well-being could include the prevention of human trafficking. Family well-being could include agriculture and food security or microcredit and enterprise solutions to unemployment. Hence, the sectors will reflect areas of deep experience of sisters, but will not impede responsiveness to central community problems.

GOAL: Strengthen services to vulnerable people in measurable ways at scale.

OUTCOMES: Outcomes of this work are:

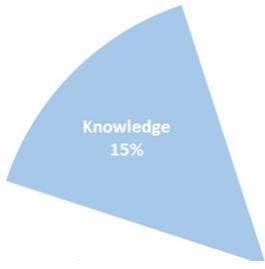
- Improved knowledge and best-in-class service approaches
- Increased reach and quality of services to disadvantaged and vulnerable people
- Increased well-being and self-reliance of people served.

IMPLEMENTATION CHOICES: This work also has the potential to leverage the work of other funders. An examination of 51 of the largest U.S.-based congregations of Catholic sisters each with over 200 members found that these congregations received more than \$10 million annually from over 300 different foundations for their ministries. Half of the grants were for \$25,000 or more. In only one case was the Hilton Fund for Sisters the source of the largest single grant or the largest single source of total funds.²⁸



ELEMENTS: This portfolio would have three components

- The Sisters Initiative will define the sector focus, and work with experienced nonprofits to determine the specific skill capacities that need to be included in the Sisters' Education portfolio to enable expanded work in these sectors. The Sisters' Education portfolio will then absorb this work to build sectoral skills both of sisters and, as relevant, of lay associates in congregations. [MEL Question 3]
- The Sisters Initiative will flow resources to sisters' ministry work, both those with currently existing capacity and those whose capacity will need to be built by the Sisters Initiative, in the selected sectors using three resource partnerships.
 - The Hilton Fund for Sisters for direct funding of sisters' work in the focus sectors and geographic areas [MEL Question 8]
 - Experienced nonprofits in the relevant focus sectors who seek to strengthen the capacity of sisters in their ministry work, but in these cases the focus of grantmaking is the capacity and leadership of sisters [MEL Question 4 and 10]
 - Other international or domestic programming within the Conrad N. Hilton Foundation where there is clear alignment and the ability to learn from, and contribute to, the understanding of best practices
- Communications and media support to raise visibility of sisters' ministries in the selected areas and to open leadership opportunities for sisters as being experts and at the forefront of human development.

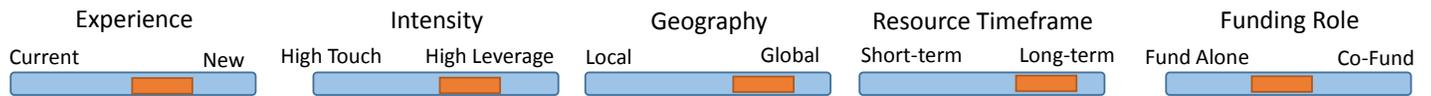


Knowledge [MEL Question 7]

RATIONALE: The Sisters Initiative has funded efforts which have begun to generate data on sisters’ capacity and needs. The first three years

of grantmaking, however, have demonstrated the size of the task ahead to create a baseline of data regarding sisters and their work. Many Catholic sisters and their respective organizations, especially in Africa, do not have adequate tools and techniques to gather the accurate data needed to underpin strategy and change management. Indeed, a survey of the sisters participating in the 2016 Sisters Initiative Convening in Kenya found that 69 percent stored data in paper form not digitally.²⁹ Creating this baseline is fundamental to creating and strengthening this new sector of work in the Church and in human development. Without accurate data, and a means to continuously update knowledge and associated learnings from the Sisters Initiative work, building the sector will prove difficult. Moreover, it will be impossible to track contributions of sisters to the advancement of human development unless knowledge systems are improved.

GOAL: Collect, use and disseminate information and research to improve the practices and policies of con-



gregations, conferences and partners.

OUTCOMES: The Knowledge portfolio outcomes are both baseline data and the capacity to manage and act on that data.

- Increased baseline data and global knowledge and visibility of sisters and their work
- Enhanced understanding of sisters’ target areas of ministry and service, vulnerable populations served, and sisters’ capacity building needs
- Increased capacity of sisters to manage data and make evidence-based decisions

IMPLEMENTATION CHOICES: This is a relatively new area of work for the Sisters Initiative although there is some experience in supporting data and research in the U.S. The effort would rely on academic experts and be high leverage. The perspective is global, although beginning in Africa and, to the extent needed, in the U.S. This is probably longer-term grantmaking, given the general state of available data in Africa, and, although ultimately there may be co-funding opportunities, initially the Sisters Initiative will bear the weight of needed grants.

ELEMENTS: This portfolio would include

- Creation and/or improvement of data systems, skills and capacity regarding Catholic sisters, their membership and organizations, and their ministries
- Creation of a data center for Catholic sisters in Africa
- Development of an integrated in-country congregational census process
- Publishing and dissemination of research-based analytical papers and results in peer reviewed journals
- Communications and media strategies targeted at lifting up the data and research to bring greater attention to the roles Catholic sisters play in all aspects of their work.



Innovation
5%

Innovation

RATIONALE: The Conrad N. Hilton Foundation’s Catholic Sisters Initiative is one of the only, and is the largest, funder of Catholic sisters’

capacity and work.³⁰ Experience over the last five years has shown that some sisters and congregations have addressed problems with innovative solutions (e.g., social enterprise to both pursue ministry and increase financial sustainability), but these models have not spread because networks are weak and/or systems of implementation for models are weaker. On the other hand, many problems (e.g., making scholarship funding sustainable, funding the costs of aging) do not have clear and productive solutions at all. There is need for investment in ambitious experiments with potential for high payoff. Such investments may also come with high risk, may be modeled on success in other areas (e.g., private commerce), or could require non-grant financial strategies such as program related investments, revolving funds, or micro-finance for revenue producing social enterprises to contribute to sustainability. High risk, however, could provide leapfrog solutions for sustainability problems facing Catholic sisters. [MEL Question 2]

GOAL: Create sustainable solutions to challenges to the vitality of sisters’ organizations and the quality of ministry

POSSIBILITIES: The Sisters Initiative support for innovative solutions will require careful due diligence and design. Illustrative possibilities include:

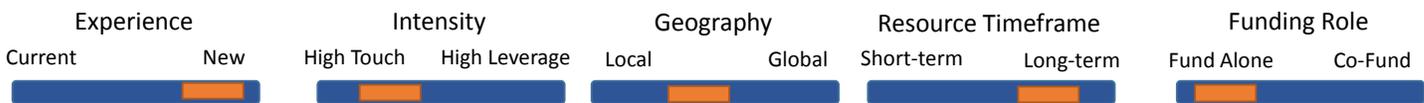
- Revolving fund models for stable funding of education scholarships
- Social enterprise for stable funding of service areas
- Use of capital assets (e.g., land) for sustainable community development

IMPLEMENTATION CHOICES: The options combination for such an innovation fund will be high touch requiring deep staff and leadership involvement in cultivating investments, global in their implications but specific in the initial experiment, and long-term in their funding.

Innovation itself, of course, will take place with regard to problems or opportunities within the other three portfolios. The subject matter will overlap education, human development, and knowledge areas of concern. However, identifying or encouraging innovation requires an intense management and oversight process. This is particularly true where the opportunities may entail complex non-grant financing methods. Moreover, innovation can also quickly absorb significant levels of resources.

That management intensity, and the need to trade off among alternative innovation initiatives to accommodate resource limits, argues for innovation grantmaking and partnerships to be gathered into a single portfolio.

It is likely that, at least initially, the Sisters Initiative will need to fund alone, although one could imagine a proven solution attracting additional investors in the long term.



ELEMENTS: The Innovation Fund would fund 2-5 innovation models over the course of the five years involving finance, human resources, or service delivery models. These models should have the potential for replicability in other geographic settings.

VI.

Implementing the Approach: Implications for the Organization



Implementing the approach outlined above will require changes in internal capacity of the Sisters Initiative and its team, as well as changes to the expectations of grantees. Key areas to be addressed in the subsequent strategy paper include:

- Deepened and expanded staff capacity, especially regarding the field work needed to add ministry support to the partnership approach in Africa. It is possible that focused effort in Africa will require staff presence there for grant oversight and for technical assistance in grant management.
- Use of consultants in technical areas, such as professional expertise in human development sectors, information systems expertise in support of the design of a data center, and financial expertise should such methods as capitalization of revolving funds be part of innovation.
- Changes in grant agreements so that grantees are clearly part of, and partially accountable for, outputs, outcomes, and impact data measurement. To enable true monitoring, those changes will also be needed in the timing of grantee progress reports, from the current annual reporting to at least semi-annual and, in some cases, quarterly reporting. Although the grant commitment may be long-term, interim reporting is essential to track progress and course correct as needed.
- Resource allocation for technical assistance to grantees. Especially in the area of measurement and evaluation, most grantees need help to develop systems for measurement and evaluation that are inherent in the results-oriented philanthropic philosophy of the Sisters Initiative. It should be noted that this investment will pay added dividends in that it will also give grantees the ability to develop competitive proposals for their work from other philanthropic and government sources. Those sources increasingly demand measurement and reporting capacity in their grantees. [MEL Question 9]
- Time and resources built into internal budgets

to enable broader and more aggressive representation (writing, speaking, social media) by program officers. The Sisters Initiative team is building a knowledge base, and team members can become important resources to lift the work of the Sisters Initiative, sisters themselves, and Sisters Initiative outcomes in the human development and philanthropic leadership communities.

VII.

Summary



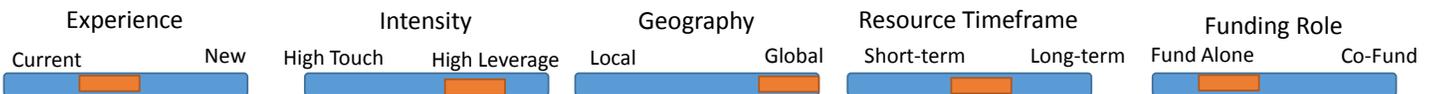
The 2030 vision for the Sisters Initiative is that Catholic sisters become global leaders in sustainable human development grounded in the vitality of their spiritual witness.

In the 2013-2017 period the Sisters Initiative focused on capacity building to increase membership, leadership and resources for Catholic sisters and their congregations. The Sisters Initiative made over \$101.1 million in grants to 56 organizations.

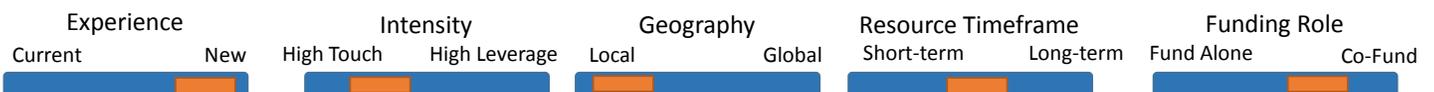
In the 2018-2022 period, the Sisters Initiative will amplify and build on existing efforts and complement them with new undertakings. The work will balance inward-looking work that builds sisters' organization and systems capacity with outward-facing work that links that capacity to human development ministry. The Sisters Initiative will also build knowledge with attention to data collection and research, and undertake innovative investments to demonstrate solutions to organization problems such as sustainable finance that are shared by sisters' organizations around the world. Communications, leadership and networking will be cross-cutting functions in the four portfolios, with a consistent effort to lift public, professional and leadership recognition.

That balance of in each area of grantmaking and to be accommodated in strategy and across portfolios is displayed below.

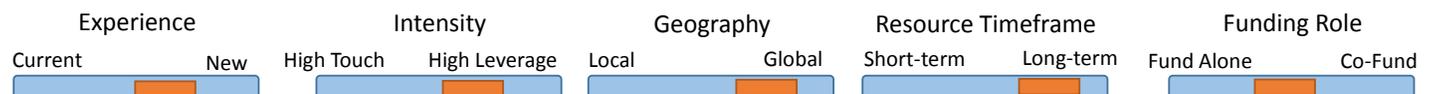
Sisters' Education



Human Development Services



Knowledge



Innovation



VIII.

Steps Toward Strategy



Seven areas of detail will be built out in the strategy document to be developed in 2018:

- 1** Specifics of grantmaking approaches in the four portfolio areas, reflecting the balance of choices about modes of implementation as well as the communications, networking and leadership functions. This includes strategy for knowledge development and innovation fund portfolios which may require an RFP rather than a pre-selection approach to gather “best ideas” in an aborning field. Portfolio strategy, particularly in the portfolio of Innovation, will include considerations of the potential for use of social finance mechanisms to achieve sustainability and scale.
- 2** Detail on the sectors of ministry focus and specific issues to be addressed within those foci, as well as strategy for bringing cross-border experience to local grantees, for flowing funds through partners, and for the collaboration needed with the Hilton Fund for Sisters as well as with other areas of the Conrad N. Hilton Foundation. This will build on the MEL case studies now in process that will identify the precise intersections of sisters’ capacity in the field and the most significant human development issues in that setting. This intersection will drive the selection of ministry sectors.
- 3** Specifics of grantmaking for communications, and the representation activities of program officers, to lift sisters and their roles as well as broadly communicate the results of their work and the results of the Sisters Initiative itself.
- 4** Timing and sequencing of work across portfolios over the five-year period, a particularly important consideration. The anticipated five-year direction addresses the vision of Catholic sisters’ leadership vitality and global human development role in a holistic and complex way. Some areas will take more time to mature than oth-

ers; some will take more time to identify impactful approaches than others. Management of resource allocation will require a plan for careful sequencing of the burden of implementation over the five years.

5 Approach to results measurement in each of the portfolios.

6 Approach to grantee management to ensure capacity and support for measurement functions.

7 Management and internal systems alterations to accommodate the strategy, including longer-term timeframes for impact and the systems needed to support any social finance strategies.

Notes and References

1. Catholic sisters' representatives providing feedback include the Leadership Conference of Women Religious, Conference of Major Superiors of Women Religious, Association of Sisterhoods of Kenya, Association of Religious of Uganda and the Zambian Association of Sisters. Meetings were held with representatives of the Vatican, the U.S. Conference of Catholic Bishops, the Kenyan Conference of Catholic Bishops, and the Zambian Conference of Catholic Bishops. Sectoral areas such as health, WASH, agriculture, and advocacy were discussed with Catholic Medical Mission Board, Catholic Relief Services, World Vision, Caritas Sierra Leone and Caritas Zambia. Education was discussed with the African Sisters Education Collaborative, Catholic University of Eastern Africa, Tangaza University, Ugandan Martyrs University and the Hekima Institute of Peace Studies. Leaders from Talitha Kum, the U.S. Catholic Sisters Against Human Trafficking, and the U.N. Fund for Victims of Modern Slavery provided insights on human trafficking. SDG implementation was discussed with representatives from U.N. Strategic Partnerships, U.N. Women, and the SDG Philanthropy Forum. Peer foundation representatives, including from GHR and Porticus, were also interviewed.
2. Building the Global Sisterhood. Measurement, Evaluation and Learning Report for the Conrad N. Hilton Foundation's Catholic Sisters Initiative Strategy. Center for Religion and Civic Culture, University of Southern California, October 2015. Sisters Serving the World. The Conrad N. Hilton Foundation's Catholic Sisters Initiative. Center for Religion and Civil Culture, University of Southern California Center for Religion and Civil Culture, January 2017.
3. Pew Forum on Religion and Public Life.
4. Unless otherwise noted, data regarding Catholic demographics and Catholic sisters numbers and distribution are taken from Pontifical Yearbooks. Overall global demographic data are from the UN World Populations Prospects database.
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11. CRCC, Sisters Serving the World, op cit.
12. Patricia A. Wittberg and Mary L. Gautier. Emerging U.S. Communities of Consecrated Life Since Vatican II. Washington, D.C., Center for Applied Research in the Apostolate, 2017.
13. Global Partnership for Education, 2017.
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16. United Nations High Commission for Refugees.
17. United Nations Development Programme, 2015 Human Development Report.
18. August 2017 interview with Jean Gough, Country Director of the United Nations Children's Fund
19. Ibid.
20. United Nations High Commission for Refugees.
21. Catholic Sisters: Champions of Sustainable Development in Africa. October 16-19, 2016, Nairobi, Kenya. Post Convening Evaluation, April 2017.
22. Anne Munley. Carriers of the Story: A Leadership Conference of Women Religious Ministry Study, 2002.
23. Derived from the annual survey of the Kennedy Directory and a review of the websites of all 51 congregations, carried out in June 2017 by Changing Our World.
24. Wittberg and Gautier, op cit.
25. Edelman Trust Barometer, Annual Global Study, 2017.
26. Anderson Robbins Research, Perceptions toward Catholic Sisters in the United States: Detailed Research Report, December 2015.
27. CRCC, Sisters Serving the World, op. cit.
28. Research by Changing Our World based on three-year grant analysis from Foundation Center data and data from Foundation Search.
29. Catholic Sisters: Champions of Sustainable Development, op. cit.

Attachment 1

The second report of the MEL Partner raised 10 questions to be addressed in the second five-year approach to the Sisters Initiative. These questions have been addressed throughout this report. In summary, however, the proposed approach contains or implies the following responses:

QUESTION 1

Can the Foundation successfully challenge demographic trends and at what cost?

Grants will support capacity and ministry to lift visibility and inherently encourage discernment. The encouragement of vocations is addressed through engaging young women in the work of sisters and encouraging the relationships that lead to discernment.

QUESTION 2

What is the Foundation's role in supporting aging in the Global North?

We have a moral obligation to sisters in the Global North. The strategy focuses on identifying and investing in best practices and then spreading that knowledge globally, since other regions will soon face this problem. This may, for example, be an area for innovation investment.

QUESTION 3

Would Conrad Hilton as a businessman bet on sisters? Would he focus only on sisters or on lay roles as well?

The Human Development Services portfolio will align with the work of congregations, whether or not those providing services are vowed religious or associated lay members of the sisters' congregations. Where the skills or capacity of those lay members improve the service, they would be included in the Sisters' Education portfolio as well. The focus, however, is not their vowed status, but the capacity for ministry itself.

QUESTION 4

In the Foundation's pursuit of SDGs, should the Sisters Initiative fund non-Catholic organizations and coordinate more with the non-Sister programs of other parts of the Foundation?

Catholic sisters are the focus. Other secular or religious organizations may be engaged but building the capacity of sisters' congregations, confederations, and/or ministries is the emphasis. The 2018-2022 direction includes greater coordination internally in so far as sisters' ministries are aligned with the work and can be strengthened by the alignment. The direction is toward scale of impact, and hence collaboration represents a priority in any way that can build sisters' capacity and ministry.

QUESTION 5

Will the Sisters Initiative expand beyond Africa?

The adjusted direction will take a global approach to learning and sharing. The emphasis in direct support to programs will remain the U.S. and Africa for now. See also Question 7.

QUESTION 6

Will the Sisters Initiative expand internal capacity?

Yes. The directions will require both expanded human resources capacity in the Sisters Initiative and adjustments to the grantmaking process to enable longer-arc evaluation of results, and technical assistance for grantees to be a full part of that evaluation.

QUESTION 7

How will the Sisters Initiative work with 700,000 sisters globally? Will data be a part of the work?

The Knowledge portfolio focuses specifically on this issue by emphasizing investments in data collection and analysis. The approach will also invest deeply in innovation, then spread knowledge globally. By being global, not "North" and "South" the spread of knowledge will be without borders.

QUESTION 8

How will the Sisters Initiative work with Hilton Fund for Sisters?

The adjusted direction will seek deep collaboration, especially in the Human Development Services portfolio, to enable the link between building internal capacity and building service capacity.

QUESTION 9

Will the Sisters Initiative build internal and external capacity for evaluation and learning?

Yes. The strategy will dedicate resources for technical assistance to grantees in this area and reinforce any needed internal capacity skills.

QUESTION 10

Will grants be to traditional organizations, even though weak in performance, or to new organizations?

Grants will flow to the best organizations to carry out the work, whether those are current or new grantees and whether the process is via pre-selection or competition. If it is the right organization for the issue, but lacks technical capacity, grants will include technical skill development as a supplement. The adjusted strategy will not adhere to current grantees for adherence sake nor change for the sake of change. The priority is to get the right organization aligned effectively with problem solving.

