



Association Laboratory Inc.

The Future of Healthcare Membership and Engagement

A Strategic White Paper for the Association Industry



“When I look into the future, it's so bright it burns my eyes.”

Oprah Winfrey

Business woman, actor and philanthropist

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Letter from the President

We are happy to provide *The Future of Healthcare Membership and Engagement*, a peer-based, research-driven white paper, to the association community. Thank you to the 31 association leaders who participated in this research, without whom this paper would not be possible.

Through our work with nearly 50 different healthcare trade and professional associations developing membership and engagement strategy, we have been able to identify how the business assumptions that have historically underpinned healthcare association membership strategy no longer exist.

We asked a cadre of national association healthcare leaders to answer three critical questions:

1. How is the environment facing healthcare association membership changing?
2. How are healthcare associations adapting their strategy to meet the challenges of this environment?
3. What barriers do these associations face when attempting to implement these strategies?

After producing a report of the research, Association Laboratory convened 22 research participants and invited guests for a one-day Healthcare Membership and Engagement Retreat to design a series of recommended actions for healthcare association leaders.

This white paper is the final output of the research and discussions.

Association Laboratory helps association leaders **make better strategic business decisions** through **collaborative engagements**, led by **experienced business executives** and informed by **state of the art research** designed to **achieve measurable outcomes**.

I hope this report provides you with information that helps you lead your association more effectively. If we can ever be of assistance, never hesitate to contact us.

We look forward to working with you.



Dean West
President and Founder
Association Laboratory Inc.

Executive Summary

Association Laboratory collected feedback from 31 chief staff officers and senior association leaders regarding the changing healthcare industry environment and the implications for association membership and engagement. This qualitative research identified key areas of change, as well as factors that may help or hinder successful adaptation to these changes. The findings are outlined below.

The Changing Environment for Healthcare Membership and Engagement

The most critical aspects of the changing environment facing healthcare associations are:

- **Changes in Healthcare Industry Structure:** Healthcare professionals will work in large integrated health networks that influence their decisions relative to engagement.
- **Restrictions on External Use of Time and Money:** Healthcare professionals will have less opportunity to spend time away from the practice or institution or to allocate funds for activities not directly aligned with their professional and employer's goals.
- **Influence of Patients and Patient-Oriented Marketing:** Patients and their families will actively influence the type of care they receive and be continually involved in their care decisions.
- **Regulatory Uncertainty and the Continued Influence of Government:** The state and federal regulatory environment will continue to be uncertain as state and federal governments attempt to influence the professional scope of practice and the mechanisms through which providers and provider organizations are compensated.
- **Revenue and Reimbursement Constraints:** Continued efforts by private and public payors to reduce the cost of care will limit professional compensation and create budgetary limitations on professional activity and association engagement.
- **Evolving Professional Workforce:** The healthcare sector will replace retiring Baby Boomers through expanded professional scope of practice, new technology, and alternative care systems.
- **Competition for Time, Money, and Attention:** Competing organizations (for-profit, internal, and association) will increasingly vie for the time, attention, and money of professionals, making differentiation of the association's value proposition more difficult.

Challenges to Improving Healthcare Membership and Engagement

The most challenging barriers faced by association leaders as they implement strategies to improve membership and engagement are:

- **Reduced Industry Support:** Reduced industry support to the association creates substantial funding challenges for new and improved engagement strategy.
- **Cultural Resistance by Healthcare Leaders:** Current healthcare leaders in associations are struggling to evolve from hierarchical "paternalistic" cultures and legacy governance systems to flexible organizations more adaptable to the needs of members and stakeholders.
- **Structure and Competency:** Associations struggle to overcome legacy structures, organizational silos, and a lack of integrated data analysis and marketing competencies.

- **Market Knowledge:** Associations lack sufficient knowledge of members' decision making environment, goals, and desired benefits to inform engagement strategy.
- **Content, Information and Communication Overload:** Associations produce a high volume of content and offer a variety of engagement opportunities that make it difficult for members to differentiate from alternatives within or external to the association.
- **Community Management/Leadership and Outreach:** Associations are challenged to identify, integrate, and support multiple, concentric stakeholder communities that require differing types of leadership and resources.

Strategies to Improve Healthcare Membership and Engagement

The most critical strategies being explored by leading healthcare associations as they attempt to improve membership and engagement are:

- **Robust Market Understanding:** Successful healthcare associations will implement a robust, ongoing process to create a comprehensive understanding of their market.
- **Customized Engagement Model:** Successful healthcare associations will create and sustain a portfolio of personalized, customized engagement models that are unique to the needs of distinct audiences based on behavioral and attitudinal factors.
- **Holistic, Integrated, and Sustained Experience:** Successful healthcare associations will create an integrated and sustained experience for members that is defined not by association product silos, but by the member's desired engagement experience.
- **Community Outreach, Development, and Support:** Successful healthcare associations will identify, create, and sustain a network of vetted communities through which healthcare professionals can interact and learn from people with similar goals and experiences.
- **Sustained Engagement Strategy:** Successful healthcare associations will develop distinct, measurable strategies to create trial engagement and incentivize increasing engagement throughout the member life cycle.
- **Adaptive Governance and Operational Systems:** Successful healthcare associations will modify governance, staff, and operational systems to allow for faster, more flexible decision making and create a unified experience for members.

The Changing Environment for Healthcare Membership and Engagement

Like many other fields in recent years, the healthcare industry is undergoing rapid change. These changes require the industry to adapt in order to thrive. The following sections introduce some of the most critical changes taking place in healthcare and how they affect association membership and engagement.

Changes in Healthcare Industry Structure

Healthcare professionals will work in large integrated health networks that influence their decisions relative to engagement.

Healthcare professionals will operate in an environment with little resemblance to the independent practice and referral-based hospital networks of the past. Instead, healthcare professionals will operate as employees of larger health systems serving the entire spectrum of care.

Individual hospitals and physician practices, through merger and acquisition activity, will become components of larger health systems. According to the American Hospital Association, the number of hospitals within health systems rose from 2,600 to 3,100 between 2003 and 2013ⁱ and the number of announced hospital mergers nearly doubled between 2004 and 2014ⁱⁱ.

Although consolidated health systems are becoming the dominant organizational entity, the provision of clinical care is becoming more distributed, increasingly moving toward outpatient care and stand-alone care facilities like ambulatory surgical centers. This shift is occurring in an effort to improve clinical outcomes and patient access, and to decrease cost.

Consequently, healthcare professionals will make decisions about professional association engagement within the context of the needs of these larger organizations and their financial and time parameters. This could imply the following:

- Health systems are more likely to have an organization-wide “procurement” mentality or culture of decision making.
- Larger organizations will have more resources to support internal development and continuing education.

Impact on Membership and Engagement

How will associations support healthcare professionals who are employed by large health systems?

Although employed by larger organizations, healthcare professionals may still retain substantial independence to make decisions regarding professional association engagement and the resources they require to support their personal, professional, and organizational needs. **Unfortunately**, these decisions will be made within constraints imposed by the organization.

This requires healthcare associations to understand the impact of organizational parameters on the decision to join or engage with an association.

Restrictions on External Use of Time and Money

Healthcare professionals will have less opportunity to spend time away from the practice or institution or to allocate funds for activities not directly aligned with their professional and employer's goals.

Professionals will face more employer-imposed restrictions on their time and money, due to the following:

- Increased pace of work and overt restrictions on time away from the office.
- Limitations on funds used for external continuing education, travel, or other activity.
- Reluctance to finance expenditures or time commitments that are not directly related to their responsibilities within the organization.

The more engagement requires an upfront investment of time or money, the less likely it is that the engagement activity will be successful.

The pace of change and the uncertainty in the healthcare system will create a cautious environment. Professionals may be uncertain as to their future career path or what competencies may be necessary to be successful. They will find themselves in competition with their peers for organizational resources.

Impact on Membership and Engagement

What association business model will support professionals whose time and money are more limited?

Time and money are the basic building blocks of engagement. Without a commitment of these resources, everything from volunteer leadership activity to basic operational revenue is at risk. Historically, healthcare associations have relied on activities that required substantial time (meetings, volunteering) or money (meetings, membership) to fund and otherwise support the organization's foundational activities.

Influence of Patients and Patient-Oriented Marketing

Patients and their families will actively influence the type of care they receive and be continually involved in their care decisions.

Historically, healthcare professionals were able to provide or suggest care with little influence from patients and their families regarding treatment methods.

This environment is changing as healthcare networks more heavily track measures such as patient and family satisfaction. In addition, improvements in patient satisfaction will increasingly be tied to performance and revenue goals, along with clinical outcomes. Phone/tablet apps and websites exist that include reviews of hospitals, practices, and individual physicians, including Google, Yelp, and Rate MD. Many healthcare organizations are actively marketing to patients to drive patient demand for services.

This “consumerization” of healthcare creates a more knowledgeable patient base but also one with pre-existing biases and expectations about care and patient experience.

Impact on Membership and Engagement

How will associations help healthcare professionals deal with the consumerization of healthcare?

Because of patient influence, healthcare professionals will need to increase their competence in working with more active and knowledgeable patients and families. These skill sets often are minimized in traditional clinical training. Since consumers are aware of their choices and demand to have their expectations met, healthcare professionals will need to address their needs and proactively provide feedback. Yet many association value propositions do not take the evolving nature of patient-oriented care into account, which limits their value to healthcare professionals who must meet these demands every day.

Regulatory Uncertainty and the Continued Influence of Government

The state and federal regulatory environment will continue to be uncertain as state and federal governments attempt to influence the professional scope of practice and the mechanisms through which providers and provider organizations are compensated.

The last decade has seen unprecedented change in the healthcare regulatory and insurance climate. Due to concerns about the Affordable Care Act and a continued priority of cost containment, healthcare professionals and their employing organizations can anticipate operating in a period of continuous regulatory change. Republicans' intentions to modify substantial components of the Affordable Care Act will exacerbate this uncertainty in the near term.

The healthcare sector is a heavily regulated component of the economy, with state and federal governments taking an active role in directing how care is provided and paid for. Associations can anticipate government support for:

- Reductions in reimbursement or restrictions on the ability to be reimbursed, to reduce overall healthcare expenditures.
- Changing payment models, which may impose an increased burden on providers.
- Changing definitions of scope of practice, to allow for care by lower-cost professionals.
- Investments in technology to improve efficiency of care.
- Increased tracking of patient outcomes, with results tied to reimbursement.

Many of these priorities will be shared by health systems and insurance companies, with healthcare providers facing sophisticated opponents. With many stakeholder groups attempting to influence healthcare policy, healthcare professionals can anticipate a more intrusive, prescriptive, and unpredictable regulatory environment.

Impact on Membership and Engagement

Who will represent, defend, and educate healthcare professionals?

Associations that do not understand the implications of the changing regulatory environment for healthcare professionals, or that ignore this impact, will fail to provide critical information directly relevant to the everyday activities of these professionals. Associations can anticipate some of the following implications:

- Healthcare professionals will need to be knowledgeable about multiple layers of compliance requirements.
- Healthcare business processes and technology will need to comply with, and adapt to, current and future regulatory changes.
- Healthcare professionals may increasingly look for a voice defending their interests against large employers, payors, and the government.

As a result, associations will need to provide thoughtful guidance on policy and regulatory compliance, and must demonstrate that their advocacy efforts are successful.

Revenue and Reimbursement Constraints

Continued efforts by private and public payors to reduce the cost of care will limit professional compensation and create budgetary limitations on professional activity and association engagement.

Private and public payors are constantly seeking to reduce the cost of care. This includes, but is not limited to:

- Reductions in total reimbursement.
- Reluctance to reimburse for “experimental” procedures.
- Delayed or long wait times for reimbursement.
- Increased documentation to justify clinical decisions.
- Increased audits to determine the accuracy of billing information.
- Payment models that are increasingly complex and burdensome for providers.

The changing revenue environment places additional pressure on healthcare professionals to meet revenue goals while also meeting increased regulatory requirements and improved patient outcomes. To accomplish this, they must bill more hours to *approved* ICD codes and invest in technology that improves efficiency. Simultaneously, healthcare professionals need guidance regarding changing regulations and techniques necessary to appropriately justify and bill for services.

Impact on Membership and Engagement

How will associations help healthcare professionals adapt to the resource constraints and the changing incentives and disincentives of the reimbursement environment?

Healthcare professionals will be under constant scrutiny regarding reimbursement by organizations with substantial incentives to reduce the cost of care. This will result in setting budget limits on non-essential or external activities.

Evolving Professional Workforce

The healthcare sector will replace retiring Baby Boomers through expanded professional scope of practice, new technology, and alternative care systems.

The question is not if retiring Baby Boomers will be replaced, but how. The answer is increased training, technology, and new care systems.

The number of people employed in the healthcare sector is rapidly increasing. Between 1980 and 2012, the number of active physicians per 1,000 persons increased by approximately 50%,ⁱⁱⁱ and the number of full time equivalents (FTE) working at hospitals increased from 3.7 million to 4.8 million people.^{iv} This growth will continue—individuals in medical or dental residencies increased from 73,000 to 107,000 between 1993 and 2013.^v

The bottom line? There are more people working in the healthcare sector than ever before and training systems are geared to increase these numbers. **Unfortunately**, the number of people is still insufficient, given the demands aging Baby Boomers will put on the healthcare system over the next two decades.

There is a projected shortfall of 260,000 nurses by 2025^{vi} and the adjusted FTE by admission decreased by 16% from 1993 to 2013.^{vii}

The reaction to anticipated workforce shortages will include the following:

- Expanded efforts to recruit individuals into training programs.
- Increased expansion of scope of practice to utilize existing professionals in expanded roles.
- Potential offshoring of healthcare support positions, such as coding, or roles primarily focused on clinical data review rather than patient interaction.
- Continued efforts to use technology to improve efficiency or to substitute for personal care.

As training programs expand, the opportunity to create initial engagement may expand correspondingly, as these new entrants seek a professional home.

Impact on Membership and Engagement

How will healthcare associations adapt to the expanded training funnel and support professionals working to provide more care to more people in less time while simultaneously adjusting to near-term workforce shortages?

While more individuals in the market represents an opportunity for associations, the ability of these individuals to spend time on external activities such as association leadership, continuing education or meeting attendance is going to be more restricted.

As changes in professional scope expand, the defined scope of practice among previously distinct professionals will overlap, creating less certainty regarding market identification, selection, and service for the association's value proposition.

Competition for Time, Money, and Attention

Competing organizations (for-profit, internal, and association) will increasingly vie for the time, attention, and money of professionals, making differentiation of the association's value proposition more difficult.

Because of the demands on their time and money, professionals are making difficult choices about how they allocate these scarce resources, causing them to prioritize their engagement with various organizations.

At the same time, organizations are working harder to identify value propositions that meet professionals' needs, thereby creating a substantially more competitive environment.

Competition takes several forms:

- Competition for the best leaders.
- Competition for time to attend events.
- Competition for interest and engagement with content.
- Competition for financial resources for membership, registrations, PAC donations, etc.

Impact on Membership and Engagement

How can associations differentiate themselves and thrive in a highly competitive environment?

To be successful in a highly competitive market takes strategic differentiation. The association must be very clear about who they are trying to serve, how they intend to serve them, and how this service differs in a meaningful way (to the decision maker) from other, competing choices. Additionally, associations and competitors may want to explore potential "coopetition" opportunities to work between sectors of the profession.

"The continuing medical education (CME) marketplace is becoming increasingly competitive. The ease of obtaining CME from multiple sources, multiple platforms, and in varied formats and pricing requires associations to change the way they offer content/CME in order to stay relevant and be a reliable resource."

Heidi Schmalz

Senior Manager, Member and Customer Relations
American Academy of Orthopaedic Surgeons

Challenges to Improving Healthcare Membership and Engagement

The following highlights some of the challenges faced when attempting to implement new or substantially altered healthcare association membership and engagement strategies.

Reduced Industry Support

Reduced industry support to the association creates substantial funding challenges for new and improved engagement strategy.

Reductions in the desire and ability of the healthcare industry to sponsor or otherwise support healthcare association strategy has made it more difficult to successfully adopt new strategies to improve association engagement and membership.

Historically, commercial support of healthcare associations provided substantial funding for engagement activities ranging from research opportunities to discounted attendance at the annual conference.

These funds are now less available. Association Laboratory's research indicates that the influence of accrediting organizations and changing government regulations play a significant role in the type of partnership and fundraising programs developed by an association.^{viii}

Reduced influence by professionals on the decision to engage, combined with less commercial support, creates challenges to introducing and sustaining longer-term or new strategies for engagement.

Cultural Resistance by Healthcare Leaders

Current healthcare leaders in associations are struggling to evolve from hierarchical “paternalistic” cultures and legacy governance systems to flexible organizations more adaptable to the needs of members and stakeholders.

Most senior volunteer leaders are a product of a healthcare system based on independent practice, clearly defined scope of practice and a fee for service revenue model. As noted earlier, this environment no longer exists.

Current volunteer leaders, though, continue to make decisions based on their historical experiences and assumptions.

The current association business and governance model was designed to be successful for these leaders and the members who practiced within this legacy environment. The association provided programs, services, and initiatives targeting members with whom volunteer leaders were familiar. **Unfortunately**, this environment no longer exists and the legacy business model of associations is rapidly becoming obsolete.

In addition, volunteer leaders, and often staff, have a cognitive bias in favor of legacy governance and business models that restrict the association’s ability to introduce new strategy and adapt quickly enough to the changing environment.

This thinking results in a culture that resists adapting to the changing needs of members. Furthermore, it can lead to “leadership recycling,” meaning the same people (with the same biases and attitudes) are repeatedly tapped to advise on or lead association activities. From the local to the national level, by relying on the same types of leaders year after year, the association reinforces internal biases resistant to understanding the needs of new audiences.

Structure and Competency

Associations struggle to overcome legacy structures, organizational silos, and a lack of integrated data analysis and marketing competencies.

The structure and competencies of healthcare associations determine their potential for increasing engagement. Principal challenges involve resource allocation within the operational structure and staff competency.

Operational Structure and Resource Allocation

Substantial gaps between the current organizational structure and the structure required to implement necessary future strategies are a barrier to successful engagement.

The goal of the association operational structure is to align human and operational resources with the needs of the market and to reflect the association's strategic priorities and corresponding strategies.

Too often, association business models fail to evolve quickly enough to adapt to changing environmental forces or organizational priorities. This can result in associations facing three distinct resource allocation challenges:

- **Short term resource allocation focus** – Associations have expended too much time on short-term programs and, consequently, have underfunded necessary long-term investments in technology, market understanding, and new program experimentation and development.
- **Fragmented resource allocation focus** – Instead of focusing resources on programs, services, and initiatives critical to engagement decisions, they have scattered resources across a wide variety of programs, many of limited utility to the association and of low value to members. This results in a “Christmas Tree” effect: each new strategy, and its related program or service, is simply added to the “tree” like a new Christmas ornament. Nothing is removed and the basic structure of the association is not modified. The association ends up with a variety of poorly integrated programs serving unconnected needs without an effective mechanism for prioritizing scarce resources.
- **Audience fragmentation** – Instead of concentrating on core audiences, associations have attempted to serve everyone equally.

In addition to resource allocation challenges, most associations are currently structured around “product lines” such as conferences, membership and publications. This creates an experience for the member that is fragmented, forcing members to talk to different people at different levels instead of having a single point of contact.

The more static the association's operational structure, the **less the association is able to adapt** to a changing environment. The more dynamic the association's environment, the more a **static** model limits the association's success.

Staff Competency

Creating a successful engagement strategy is difficult when an organization is staffed by individuals lacking the necessary competencies.

Staff have learned skills appropriate to the current activities of the association and have contributed to these activities' current success. Changing to adapt to a different healthcare environment means learning

new competencies or experimenting with activities in which healthcare association staff may have less experience or knowledge.

Modern engagement strategy requires staff competencies in research, data analytics, and community management that are often lacking in associations with a product-oriented mentality. Without strong skill sets or sufficient capacity in these areas, healthcare associations struggle to identify and sustain an engagement strategy.

Pursuing new strategies often requires different skills. The less similarity there is between a new strategy and a current strategy, the **less likely** it is that existing staff have the necessary business skills and competencies to be successful.

Market Knowledge

Associations lack sufficient knowledge of members' decision making environment, goals, and desired benefits to inform engagement strategy.

Historically, associations have made limited and episodic efforts to understand their market. These efforts were characterized by the occasional member survey or special study pertaining to a particular decision. In addition, these efforts focused on the professional lives of members but rarely investigated how their employing organization influenced decisions.

These traditional efforts are no longer sufficient to inform the decisions necessary to be successful and make strategic change.

Associations have not invested in the data collection processes and competencies necessary to understand the changing nature of the healthcare marketplace and the needs of the targeted stakeholders within this market.

Episodic research reduces the quality of subsequent research and reduces the incremental learning within and across departments. The following are specific areas of concern:

- Research is not planned in advance. This results in research that is too reactive and provides less predictive information.
- Research studies implemented once are not used on a consistent basis to improve follow-up survey instruments so that better quality data is collected in subsequent research projects. Since most associations do not have an integrated research strategy, each individual staffer experiences a significant learning curve in implementing a research study, which reduces the effectiveness of research and does not allow research activities to improve.
- Most associations do not conduct longitudinal studies. There is no consistent pattern of creating research studies to collect information over time. This reduces the possibility for trend analysis and reduces knowledge creation as decision makers fail to adequately learn from preceding research projects.
- While individual departmental decision makers may benefit from a distinct research project, the failure to share and discuss results across departments means the learning from any study remains within a small sphere of staff.

Episodic research reduces or eliminates incremental learning and requires “reinventing the wheel.” This means that instead of financial investments in research resulting in improved decisions, they are simply a project expense with no accrued benefits beyond the specific project.

Content, Information, and Communication Overload

Associations produce a high volume of content and offer a variety of engagement opportunities that make it difficult for members to differentiate from alternatives within or external to the association.

In Association Laboratory's annual environmental scan of the association business environment, *Looking Forward*, the leading concern among all association chief staff officers for three straight years has been members managing the volume of information they receive.

Healthcare professionals operate in a dynamic, asymmetrical, and continuous information environment. In addition, they work in a highly structured physical environment that limits the amount of unstructured time or time in front of a computer.

The bottom line? Healthcare professionals are often unavailable for communication, lack time to devote to reading or responding to communication, and are highly selective about the communications they receive and respond to.

In addition, a growing competitive landscape of for-profit continuing education suppliers, as well as the exponential growth of free information, make it more difficult to remain the single or primary source of informational resources for members.

Consequently, members create substantial personal and technological barriers to receiving information they do not consider relevant.

To overcome this barrier, associations need to produce content and communications that stand out in a high-volume, highly competitive information environment.

Compounding this challenge are two factors:

- Many association communications request action, such as contacting a member of Congress. This might be difficult for a member to incorporate into their day.
- Many association communications are promotional in nature. The products, services, or initiatives being promoted may not be relevant to the needs of a member.

The result of information overload is that members begin to "tune out" these communications. Once a member has decided that the association's communications efforts are no longer relevant, it is difficult to change their attitude or behavior.

Providing a constant stream of content across a variety of technology platforms requires significant effort on the part of association staff. Unless steps are taken to ensure the effort produces the desired outcome, associations risk wasting significant resources without improving engagement.

"Your association needs to be seen as ever moving, not stagnant, but this doesn't mean you just send a ton of emails or a newsletter that contains nothing worthy of reading. You need to be present, but with updated, interesting information."

Mariel Snyder

Member and Chapter Coordinator

Preventive Cardiovascular Nurses Association

Community Management/Leadership and Outreach

Associations are challenged to identify, integrate, and support multiple, concentric stakeholder communities that require differing types of leadership and resources.

The stakeholder market for a healthcare association is not monolithic. There may be variations in needs by geography, training, or setting. These variations create distinct communities that may require unique services and staff support.

Leading these distinct communities requires sufficient staff with community management skills and supporting technical systems to enable their knowledge to be used effectively over time.

In addition, healthcare associations are struggling with the investment in new technologies necessary for this activity. Often, accurate or needed data is not collected. Databases are not integrated and staff often lack the analytical competencies to analyze the data properly.

Without sufficient information, analysis, and supporting technology, it is challenging to create an integrated, customized engagement experience for members.

Strategies to Improve Healthcare Membership and Engagement

This section introduces critical strategies being explored by leading healthcare associations as they attempt to improve membership and engagement.

Robust Market Understanding

Successful healthcare associations will implement a robust, ongoing process to create a comprehensive understanding of their market.

Successful healthcare associations will no longer conduct episodic research. They will establish a robust market research process designed to:

- Create a comprehensive understanding of the professional environment, professional goals, motivations, and challenges faced by stakeholders.
- Identify the influences and complementary/contradictory goals of employing organizations.
- Identify the most relevant roles of the association in meeting stakeholder needs.
- Correlate key decision factors to choices with the association and competitors.
- Validate similarities and differences across audiences.

Successful healthcare associations will create ongoing, integrated processes that continuously update this information and funnel it directly to decision makers throughout the organization.

The **primary goal** of a revised market understanding process is to create a consensus, integrated research strategy for the association that:

- Creates a future-focused understanding of the professional climate facing members.
- Provides critical diagnostic information to guide tactical program implementation.
- Creates and sustains leadership, staff, and stakeholder consensus.

The goal is to create internal consensus on the information needs of the association so that appropriate research tools can be created and sustained. Then, business processes must be customized to address the needs revealed by the research.

Customized Engagement Model

Successful healthcare associations will create and sustain a portfolio of personalized, customized engagement models that are unique to the needs of distinct audiences based on behavioral and attitudinal factors.

Membership is not the solution to every member's problem. Healthcare associations need to look beyond membership to the broader *engagement model*.

An engagement model is defined as the combination of paths through which the person might engage with the association. It may include membership, but it also may involve subscriptions, social media activities, contributions, and other interactions that are not within, defined, or restricted by membership categories.

There are four primary types of engagement model customization:

- Customized by behavior – Review the transactional data to identify key markets based on their choices (behaviors) relative to the association. For example, are individuals who attend face-to-face events different from and seeking different solutions than individuals who subscribe to digital content?
- Customized by attitudes – Identify similarities and difference in attitudes among key audiences. For example, do individuals who see themselves as “leading the profession” respond to different messages or make different choices than those who are “all about education”?
- Customized by goals/outcomes sought – Understand how differences in personal and professional goals influence behavior. For example, individuals who are strongly interested in industry policy and advocacy may interact differently with the association than those for whom personal education is the motivation for engagement.
- Customized by price – Some individuals, low on the engagement scale, may want a trial level of engagement, while others are happy to pay a premium price if the association can solve their problem or meet their needs.

Customization is characterized by different messages, content, products/services, and price points for each audience. The more closely you match your engagement model to distinct audiences, the more likely you will be to compete effectively for the time, money, and energy of these individuals in a competitive market.

“It can't be a one-size-fits-all approach. People now want to engage in many different ways. Also, time commitment is different, so you need some short-term options, along with a typical engagement or longer-term assignment.”

Michelle D. Zinnert, CAE

Chief Executive Director
American Urogynecologic Society

Holistic, Integrated, and Sustained Experience

Successful healthcare associations will create an integrated and sustained experience for members that is defined not by association product silos, but by the member's desired engagement experience.

The prospective member or customer does not view association participation as departments or silos but as a total experience. The more this experience is fragmented, the less satisfied the member.

In addition, a fragmented experience inhibits the association's ability to create experiences, products, services, or other benefits that reinforce each other. Each initiative must succeed or fail on its own.

Creating an integrated, holistic experience requires:

- A disciplined, data-driven approach to strategy that takes the whole person and his or her needs into account.
- Business processes designed to create and sustain relationships with stakeholders, regardless of their point of contact.
- Organizational structures that do not create partitions between different aspects of the stakeholder experience.

Many healthcare associations have fragmented, legacy business models designed to meet the organizational needs of the association, not the needs of the market. Future business models will be designed around the desired experiences and needs of members and other stakeholders.

Community Outreach, Development, and Support

Successful healthcare associations will identify, create, and sustain a network of vetted communities through which healthcare professionals can interact and learn from people with similar goals and experiences.

While many of the tasks of professional life (providing CME, assuring regulatory compliance, etc.) may be performed by employing organizations, the independent, objective, and personal network that defines a profession is much more difficult to create and foster.

Healthcare associations will succeed by creating a “professional home” for their stakeholders that transcends the employing organization and the individual products and services the association provides.

Creating this professional home involves:

- Rational, logical creation of communities based on participant needs.
- Opportunities for both limited (micro-volunteering) and more significant leadership opportunities.
- Mechanisms for active community outreach to talk to, understand, and interact with stakeholders locally.
- Adaptable, integrated technological support systems to maintain the community.
- Staff competencies in community management and leadership.

A professional home acts as a career resource, provides opportunities for personal interaction with peers (such as through mentorship), and offers channels to participate or give back to the profession or related professional causes. It is these emotional and professional triggers that will resonate with busy professionals who may have other, more convenient or cost effective channels for continuing education or practice administration.

Sustained Engagement Strategy

Successful healthcare associations will develop distinct, measurable strategies to create trial engagement and incentivize increasing engagement throughout the member life cycle.

Historically, associations have produced a series of traditional “products:” the *Annual Meeting*, the *Journal*, and the *Lobbyist*. Chapters, newsletters, and various “help lines” for practice administration or compliance added to the value proposition.

Participation or engagement with the association was “pass/fail.” The person attended, or not. The person joined, or not.

This absolutist frame of reference is not consistent with how engagement works. Association Laboratory’s prior research on engagement, conducted in cooperation with the ASAE Foundation, found that engagement ebbs and flows along a continuum based on the needs of the person, external influences, and the association’s own performance.^{ix}

The concept of engagement as a continuum requires associations to address three key areas:

- Trial Engagement – Create strategies designed to focus on trial engagement that introduces a professional to the activities of the association with low time and financial costs. The greater the time and money required, by definition, the less successful the trial engagement strategy. The goal is to introduce a person to the community of professionals and the experience of the association.
- Iterative Engagement – Strategies should be iterative; designed to gradually lead a participant from low engagement to a greater level of engagement that meets their evolving needs. The goal is to create a series of integrated “steps” targeting a participant.
- Incentivized Engagement – Create distinct incentives for a person to increase engagement, such as greater price breaks or more comprehensive services. The more they do or give and the longer they engage, the more rewards they receive from the association. The goal is to reward expanded engagement and encourage continued engagement over time.

Adaptive Governance and Operational Systems

Successful healthcare associations will modify governance, staff, and operational systems to allow for faster, more flexible decision making and create a unified experience for members.

Governance

The current business model of associations is designed for organizations that need broad representation from the membership to inform decisions, and face-to-face deliberations to make decisions.

Today, online and digital tools make many of these aspects of decision making obsolete. Modern market research eliminates the need for representative governance. In addition, increased staff competencies have reduced or even eliminated the need for frequent oversight by volunteer leaders of key initiatives like publishing or government advocacy.

Consequently, successful associations will eliminate or reduce large, legacy governance entities, such as the House of Delegates, in favor of more nimble, adaptable bodies that are common in trade associations. These decision-making bodies have fewer members and are more focused on defining desired future outcomes and less active in operational decision making.

Staff Attitudes

Today, most healthcare associations are served by competent professional staff. Culturally, though, many staff still think of themselves as subordinates in the organization, required to do only what is approved or requested by volunteer leadership. This creates a reactive culture that limits the adaptability of the organization to changing market needs.

Association Laboratory's research shows that creating a successful staff/volunteer partnership is critical to successful decision making and leadership.^x Crafting this atmosphere requires staff to have more freedom to make decisions and adapt to changing market needs or take advantage of new opportunities. Staff become the experts, not the servants.

Operational Structure

As noted earlier, many associations are modeled around large product components (meetings, publications, and advocacy). This legacy business model may have nothing to do with the future needs of the organization or the desires of stakeholders and members.

Association Laboratory's research on strategic change management found that a major **barrier** to successfully leading strategic change is an organizational culture that supports staff and volunteer leaders who are hesitant to, or incapable of, adapting to change.^{xi} New association business models must evolve to reflect the changing market structure – for example, creating a department focused on members who operate within large health systems – rather than the product needs of association.

Closing

Healthcare association executives have never operated in a more challenging business environment. The healthcare system is undergoing transformative change that is altering the business assumptions that have guided engagement strategy for decades.

To be successful in this environment, senior staff must collaborate more effectively with volunteer leaders, embrace new business models, and allocate association resources in a way that may be substantially different from the past.

Associations that fail to do this are likely to become irrelevant.

Appendix 1: Resources on Membership and Engagement

Association Laboratory is the national leader in association membership and engagement strategy. Through client and industry research, the company has produced a variety of resources to help association executives successfully develop revised membership models and engagement strategy.

Association Laboratory has authored multiple chapters for professional publications, including the following at www.asaenet.org:

- The chapter on [Membership Research](#) for the ASAE book, *Membership Essentials*.
- The chapter on [Marketing Professional Development Programs](#) for the ASAE book, *Core Competencies in Professional Development*.
- The chapter on [Components and Strategic Planning](#) for the ASAE book, *Component Relations Handbook*.

Association Laboratory collaborates with association leaders to conduct research and produce peer-based strategic white papers on key association topics. Recent white papers can be found at www.associationlaboratory.com and include:

- *Looking Forward™* – An annual environmental scan of the association business environment and the corresponding implications for association strategy.
- *The Future of Association Engagement* – A white paper developed in cooperation with the ASAE Foundation, outlining how the future business environment shapes engagement decisions and highlighting potential strategies for improved member engagement.
- *Leading Strategic Change in Associations* – A white paper outlining the diagnosis and management of strategic change in associations and the barriers to making this change a reality.
- *Global Engagement Models* – A white paper outlining key challenges in developing global engagement strategy and potential solutions to these challenges.
- *Engaging Young Association Members* – A white paper on the challenges, success factors, and implementation barriers to engaging younger professionals with associations.
- *Strategic Fundraising and Partnerships* – A white paper on the development of sustained association and industry commercial partnerships.
- *The Future of Components* – A white paper on the changing environment surrounding chapters and nongeographic components.

Appendix 2: Research Process and Participants

Association Laboratory conducted qualitative research collecting feedback from 31 chief staff officers and senior association leaders.

Initial information was collected via a worksheet distributed by email. Association Laboratory used a modified Delphi approach to collect additional insight by incorporating two rounds of commentary into the white paper. A one-day retreat, which included 22 research participants and invited guests, was held to develop specific recommendations for action.

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Dean West is one of the nation's most recognized experts on association strategy. He is a Fellow of the American Society of Association Executives and a former association CEO. He counsels a wide variety of national and global associations and is a recognized thought leader on global and domestic research, membership models, environmental scanning, and association leadership.

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Phil Puckorius has nearly three decades of experience developing successful business strategies for associations. He has nationally-recognized expertise in the identification, organization, development, deployment, outcomes assessment and management of Continuing Education, CME and certification programs. He is also long-tenured member of ACEHP and IACME. His volunteer work includes contributions to the development of outcomes assessment tools for ACME, (2006 ACME President's award), serving on the founding board of NC-CME and serving multiple terms on the Association Forum of Chicagoland's content committee.

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Carol Wolinsky has more than 25 years of experience designing complex research engagements. She is an award-winning corporate researcher and is responsible for overseeing the development and implementation of Association Laboratory's quantitative research projects, including research design, implementation, and analysis.

Association Laboratory helps association leaders **make better strategic business decisions** through **collaborative engagements**, led by **experienced business executives** and informed by **state of the art research** designed to **achieve measurable outcomes**.

The company has established a national reputation helping associations deal with complex strategic questions including membership, education, meetings and component strategy. Association Laboratory is a full service qualitative and quantitative research company offering a complete suite of investigative, validation and modeling tools customized to the needs of associations.

For more information, visit the company's website at www.associationlaboratory.com.

ⁱ Source: Avalere Health analysis of American Hospital Association Annual Survey data, 2013, for community hospitals.

ⁱⁱ Source: Irving Levin Associates, Inc. (2014). The Health Care Services Acquisition Report, Twenty-First Edition.

ⁱⁱⁱ Source: National Center for Health Statistics. Health, United States, 1982, 1996-97, 1999, 2000, 2001, 2002, 2003, 2004, 2005, 2006, 2007, 2008, 2009, 2010, 2011, 2012, 2013 and 2014. Hyattsville, MD.

^{iv} Source: Avalere Health analysis of American Hospital Association Annual Survey data, 2013, for community hospitals.

^v Source: Avalere Health analysis of American Hospital Association Annual Survey data, 2013, for community hospitals.

^{vi} Source: Copyrighted and published by Project HOPE/Health Affairs as Buerhaus PI, Auerbach DI, Staiger DO. The Recent Surge In Nurse Employment: Causes and Implications. Health Affairs, 2009; 28(4): 657-68.

^{vii} Source: Avalere Health analysis of American Hospital Association Annual Survey data, 2013, for community hospitals.

^{viii} Source: Strategic Partnerships and Fundraising, ©Association Laboratory 2015

^{ix} Source: The Future of Engagement, ©Association Laboratory 2014

^x Source: Creating and Sustaining a Strategic Board of Directors, ©Association Laboratory 2015

^{xi} Source: Leading Strategic Change in Associations, ©Association Laboratory 2015



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