

A Century-Old Organization Faces Its Own Journey to the Next Century

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At the end of a yearlong journey toward organizational transformation, the American Nurses Association learned a number of important lessons, not least, that leaders must be willing to risk personal success for the good of the organization, non-squeaky wheels should never be ignored, and change will often come at the grassroots level. Perhaps most important, however, is the understanding that with any such effort there are sure to be midcourse corrections, and the law of unanticipated consequences always applies.

Editors' note: This case study addresses the issues faced by a national association that has been losing membership. Leaders in the organization believe that these losses are partially due to an outmoded and unwieldy structure that is less responsive than it should be to a quickly changing field. But the organization needs to get the changes made using the structure that exists. What does the first leg of the journey look like, and what additional questions does it raise? This is a self-reflection piece and may be subject to the problems we all have in seeing ourselves accurately. NPQ is advancing this with the understanding that it should be treated as a hypothesis for organizational change.

IN THE SPAN OF A YEAR, THE AMERICAN Nurses Association (ANA) unfettered itself from its own tradition and institutional bureaucracy to forge a dynamic path forward. A declining membership and an unwieldy governance structure gave way to more streamlined governance, closer collaboration with and among state associations, and new commitment to a culture of innovation. This article provides a behind-the-scenes look at the organizational transformation of ANA, and includes both lessons learned and continuing challenges that we think may be relevant to leaders of other nonprofits.

Why Now? The Drivers

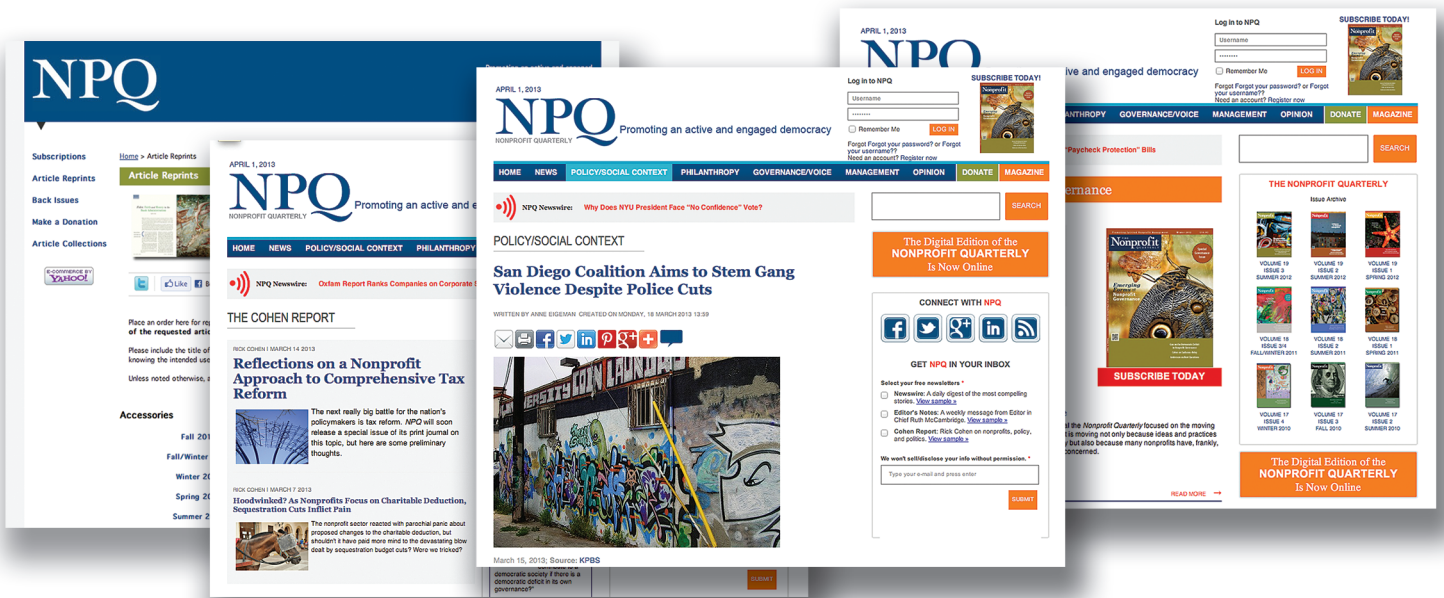
During strategic planning in the late fall of 2011, ANA leadership realized the organization needed to modernize on a rapid timeline. That change needed to be radical in some ways but also needed to be ratified by members. Making the whole situation more difficult was the fact that we had to use an outmoded structure to change the way we operated.

The last major changes to organizational structure had been made in 1989, well before the Internet revolution. More-recent attempts to streamline the organization had been unsuccessful. At the time, ANA was a national organization

with a federated structure and members that were predominantly state nurses associations. This was a change from the policy allowing individual nurse members, which dated back to 1982.

The number of individual nurses represented by ANA and state nurses associations had declined significantly over the past two decades. Some of this decline was the result of disaffiliation by some state associations that joined competing organizations. Other factors were the rise of nursing specialty groups, the ability of individual nurses to access content directly due to technological advancement, and our own cumbersome

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About the American Nurses Association

The American Nurses Association was founded in 1896 by a group of twenty nurses. The organization today represents the interests of the nation's 3.1 million registered nurses through legislative advocacy, educational programs, and other membership benefits. Working in collaboration with its constituent and state nurses associations and its organizational affiliates, ANA advances the nursing profession by fostering high standards of nursing practice, promoting the rights of nurses in the workplace, projecting a positive and realistic view of nursing, and lobbying Congress and regulatory agencies on healthcare issues affecting nurses and the public. It is ANA's mission to serve one of the nation's most respected professions in aid of improving healthcare for all.

membership-pricing model. ANA had a governing House of Delegates (HOD) with six-hundred-plus elected members. There was a fifteen-member board of directors, elected by the HOD, and a Congress of Nursing Practice and Economics (CNPE) group, composed of seventy members who met quarterly and advised the HOD on policy issues. The challenges:

- The House of Delegates' six-hundred-plus members met biennially, in person, leading to a corresponding outsized commitment of staff and volunteer time, and escalating costs.
- Dedicated volunteer leaders spent an inordinate amount of time on governance and cumbersome processes as compared with programs and advocacy.
- State associations varied greatly in size, staffing, resources, and capacity to serve individual members and be effective advocates on policy issues.
- There were more than five hundred different member dues rates across state associations, and the procedures for joining were onerous and confusing.

A leadership turning point began in 2011 when ANA President Karen Daley read *Race for Relevance*, by Harrison

Coerver and Mary Byers.¹ Others, including both elected and staff leaders at ANA and in state nurses associations, quickly followed suit. The book served as a catalyst, inspiring ANA to tackle the stark realities we faced. A framework was provided by the authors, with recommendations to overhaul governance, empower the CEO and staff, rigorously define member markets, rationalize and simplify programs and services, and build a robust technology program. These solutions seemed to us exactly what the nurse had ordered.

President Daley noted that the structure and processes that had served us well in the past did not position us for success in a digital world. To meet the changing needs of nurses, she suggested, ANA must change too. The challenges faced by ANA and its organizational constituents mirrored those of other associations outlined in the book, specifically:

- Declining membership (58 percent decline in twenty years);
- Inadequately resourced associations in more than half the states;
- Outdated, costly, and cumbersome governance;
- A membership dues structure that was confusing, difficult, and too expensive; and
- Inadequate technology platforms.

Together, these challenges were like quicksand for ANA, holding it back from being the world-class organization nurses deserve. Leaders realized that a failure to act quickly could result in a downward spiral.

The Proposal

Remember as you read the next description that we did say we were working with an unwieldy structure. Within about a month, an internal group of ANA staff had devised a draft plan that was subsequently fine-tuned through input from state nurses association chief staff officers, and finalized in February 2012 in a two-day board and executive staff strategic planning session. The plan was developed with feedback from the elected leadership of our constituent and state nurses associations (CSNA) as well as from data compiled by ANA staff. The elements of the recommended plan included:

- Eliminating the House of Delegates and replacing it with a much smaller advisory council, and placing governing responsibility with the board of directors;
- Reducing the board of directors from fifteen to seven;
- Abolishing the CNPE and replacing it with ad hoc expert panels composed of subject-matter experts;
- Combining some state associations into multistate divisions with shared administration;
- Increasing buying power, a common technology platform, and other business services provided by ANA;
- Changing the membership structure so that individual registered nurses instead of state associations comprise ANA members;
- Reviewing and revamping the price of individual membership to enhance member growth; and
- Aligning programs and products to better meet member needs.

Adoption of the recommendations was intended to rescue the culture of our organization from layer upon layer of decision-making and bureaucratic processes and replace them with an appetite for innovation that still respected the traditions and voices of members

Determination: Staying the Course

For a large organization with long-standing and embedded traditions, moving quickly is no easy task. But ANA knew that if it did not have a solid plan with significant support from state leaders in place by the June 2012 biennial meeting of the House of Delegates, it would be looking at another two-year wait. The case for change and preliminary recommendations, designed by a rapid response team, was presented to state executive directors at a meeting in January 2012. Following board of director deliberations, refinement, and approval in February, a special session of the House of Delegates was added to the upcoming biennial agenda so that the new proposals could be considered for adoption.

Staff members from all segments of the organization—virtually everyone from leadership services to legal to finance to communications—were called upon to assist in getting proposed amendments ready for review and comment. The elements of the proposal were then subject to modifications and amendments before and during the HOD meeting. The speed of the proposal development in and of itself marked an organizational transition: ANA was unaccustomed to making quick decisions or moving forward without full consensus, and many asked if the process could be slowed down. Even a consultant brought on to assist with the design expressed doubts about whether such transformative change could be accomplished within the time frame, and he suggested that ANA move more incrementally. But as Coerver and Byers make

plain, a sense of urgency is necessary to make change happen. **Lesson learned:** *Be fast and nimble when it really counts.*

Elections for all officers and half of the board members were also being held at the HOD meeting. Delegates would have an opportunity to cast votes for candidates in addition to the bylaws proposals. As a result, ANA's CEO, president, and board were putting their jobs on the line, but in order to create change for the life of the organization it was necessary to take such risks. By proposing radical change, they might be seen as visionary leaders—or as threats to the status quo. Either way, the plan and the leaders would be subjected to intense scrutiny.

Lesson learned: *Be willing to risk your personal success for the good of the organization.*

The organization instituted several discrete processes to maintain momentum and keep board and staff—as well as state nurses association elected and staff leaders—informed and engaged. These included:

- Communicating often and via multiple channels, such as:
 1. Board president and CEO conference calls and webinars with state presidents and executive directors;
 2. Updates at all national committee and subsidiary board meetings;
 3. Regular postings on the House of Delegates closed community site, reaching the six hundred delegates who would vote on the proposed changes to the bylaws;
 4. Electronic updates from the CEO to state executive directors;
 5. In-person visits to state offices by board members and key staff;
 6. Posting and regular updating of FAQs about the proposed changes; and
 7. Using supportive state colleagues as informal ambassadors among their peers.
- A technological needs assessment and

immediate steps to find the right business partners.

- Development of preliminary business and legal documents and processes so that ANA would be ready to execute changes if they were approved.

Misinformation spread, as it is wont to do in such situations, and vigilance was required to disseminate correct and up-to-date information. ANA needed to listen, and we learned that doing so often drove us to better and more comprehensive communication. For instance, questions arose as to whether state associations would continue to have state-based communications vehicles. Many nursing issues are state based, and we wanted state associations to continue to have a state presence. No matter how many times we said this, however, there was still the feeling that somehow the ANA national office wanted to “take over” state-based communications. Putting a clear answer in writing and referring back to that language repeatedly eventually worked. **Lesson learned:** *Repeated, consistent, multichannel communication, including face-to-face meetings and personal phone calls, is imperative in order to prevent the spread of misinformation.*

Making the Deal: Multiple Stakeholders

ANA was cognizant of the array of stakeholders vested in the recommendations and outcomes of the deliberations that would culminate at the June 2012 national meetings. The key stakeholders directly impacted by the proposed changes to ANA's governance and membership models, structural changes, and new products and services included state-elected leaders and staff, national elected leaders and staff, subsidiary organizations, and ANA members. Indirectly, the larger nursing community

would also be impacted by the changes.

One of the fundamental challenges of this level of organizational transformation is the need for leaders who have been successful in the existing structure to embrace the push for change and lead others toward a new model. A core element of ANA's success in moving forward many of the proposed changes was the work of leadership and early adopters from state associations in convincing others of the need for change and in getting buy-in to the proposed solutions. An additional challenge that impacted both staff and volunteers was living with the uncertainty of the outcome during the planning period.

Not surprisingly, many of the plan elements were met with a healthy dose of skepticism. Some leaders of state nurses associations were initially resistant to the proposal. Many were influential with leaders in other states, and some states worried that smaller governing bodies might diminish their representation in the national organization. ANA encouraged state leaders to think not just about the circumstances of their own state organizations but also how the interconnectivity—national as well as state-wide—created a strong network. Data about historical trends, existing market shares, and the consequences of past failed attempts to change reframed the discussion, and impassioned resistance gave way to comprehension that ANA had to act in order for the organization to survive. Constantly returning to the evidence focused the discussion on the viability of various options while also providing the necessary time to move beyond initial concerns. With graphic visuals of membership decline, attention could be redirected from why change was necessary to how best to effect that change. **Lesson learned:** *In times of organizational change, evidence rules the day.*

As with any transformation, leaders were challenged by the double-edged sword of seeking input before the plan was finalized and then encountering resistance and confusion by those who thought there were insufficient details. Understandably, leaving specific financial and operational decisions to be determined at a later date made state organizations skittish. They were reluctant to embrace a plan without knowing exactly how it would impact their bottom line, their members, and their staffs. Responding to their questions, which sometimes brought up issues ANA had not yet considered, became a key part of the planning process as the project unfolded. At the same time, not every single detail could be worked out ahead of time. The leaders in the association needed to trust that if the overall plan made sense, so too would the final details. **Lesson learned:** *Sufficient details are needed to instill confidence.*

The most readily embraced change element was the adoption of a more robust, universally available, world-class technological platform. It made sense that common technology and communications channels would save money and avoid headaches for state associations. Smaller offices also saw the benefits of group purchasing for other shared services. But questions abounded about state autonomy, which some thought would be jeopardized by the proposed changes to governance, consolidation of business services, creation of some multistate divisions, and new membership methodology. How could we create mechanisms for maintaining state identity while bringing all entities closer to ANA? Getting that balance right was imperative.

Small groups of state leaders began talking with like-minded colleagues, resulting in coalitions resisting or supporting various provisions of the



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proposal. There were rumors of rebellion and secession. Not surprisingly, a “state vs. national” tension emerged, with a feeling among some state leaders that the proposal was top-down and being forced on them. That was not ANA’s intent. While recognizing that this phenomenon was human nature, or perhaps organizational change theory in action, we had to convince state-based leaders that our honest goal was to strengthen the association, and to do so in partnership with the states.

Two components of the proposal were receiving the most resistance. The first was eliminating the House of Delegates and transitioning to the board of directors as the highest governing body. The second was the plan to consolidate small- and medium-size state associations into multistate divisions. Some midsize state associations were particularly concerned with this element, and challenged proposed criteria that they perceived as reflecting unfairly on their current status and potential for future growth.

Throughout that spring, the board and staff kept ears to the ground. A turning point came in May, when the board, in response to concerns expressed by state leaders, changed the recommendation to eliminate the HOD to one that would reduce it in size to about two-hundred members. They also exempted the midsize state associations from automatic multistate participation by lowering the dues and revenue thresholds.

As soon as those adaptations to the plan were announced, previously silent supporters of the original version came forward. Some state leaders expressed disappointment and frustration, concerned that the transformational change necessary for organizational sustainability was being compromised. They questioned whether the guiding principles for ANA’s transformation were being thrown

aside, and whether real impact would occur. Some felt that the interests of a few powerful states had outweighed the objective of strengthening and unifying all states.

In an effort to assess delegates’ understanding of and support for the proposed changes, ANA conducted a poll three weeks ahead of the HOD meeting. The response was both enlightening and encouraging, demonstrating more support than had been reflected in the direct feedback, as well as that a sizeable number remained undecided. **Lesson learned:** *Don’t ignore the non-squeaky wheels; get objective feedback from all stakeholders—you may have more support than you think.*

Day of Decision

The House of Delegates convened in June 2012. During the formal sessions, remarks were made from the podium and the floor, following a rigorous protocol. Only those with official delegate status, indicated by badges and color-coded ribbons, could address the body. At one point the meeting was halted so that additional copies of complicated amendments to the bylaws brought to the floor by state delegates could be made. A procedural curveball resulted from the recommended bylaws being taken out of order, changing the building-block approach that had been carefully constructed for the presentation.

Behind the scenes, a coalition of state leaders had drafted an alternative proposal and coordinated with national leaders to ensure that the overarching goals of the transformation were kept intact. Arising from an initial frustration with the bylaws process, state leaders who had attended a regional meeting in the spring realized they shared some concerns about the direction of the changes and created informal working groups to move forward on alternative

recommendations. They lined up support from thirty states. Committed state leaders worked both prior to and during the meeting to garner support for a solution that would achieve the forward-looking goals of the association related to downsizing of governance while minimizing the perceived risks of diminished CSNA authority over the national organization. Their proposal, recommending change that was more incremental, was more palatable to many of the states. For instance, both proposals eliminated the unwieldy House of Delegates, but the alternative proposal replaced it with a much smaller membership assembly rather than shifting the highest governing authority to the board of directors, as the original proposal specified. It was their alternative, and the state leaders behind it, that succeeded in garnering enough support to break through the logjam. **Lesson learned:** *Change will often come at the grassroots level, and not necessarily via established protocols.*

President Daley, realizing the potential for a compromise, adeptly handled the process to allow the alternative proposal to come forward. By the time of the meeting, although there was no certainty, our sense was that some of the changes would be adopted, some would be modified, and some, like changes to the membership dues structure, would be deferred for further review. In the end, many—though not all—of the proposed changes were adopted:

- The House of Delegates was eliminated. The centerpiece of a compromise was the creation of a much smaller membership assembly that would serve as the governing body, reducing the size from over 600 to approximately 250, with the constituent and state nurses associations having weighted votes to reflect size. The aim of the reduction was to save

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ANA many thousands of dollars in meeting costs as well as to streamline processes while keeping delegates from the membership as the highest governing body.

- Beginning in 2014, the size of the board of directors will be reduced from fifteen to nine members, enabling the board to increase efficiency and be more nimble as needed.
- The CNPE was abolished and replaced with ad hoc professional issues panels.
- A decision on changing the membership basis from state organizations to individual members was postponed, pending the completion of member research and new recommendations from the board.
- A requirement for all state organizations to enter into a shared services agreement was rejected. Since then, however, many states have moved forward to create multistate groupings voluntarily.

As a result of this process, governance was greatly streamlined, new membership methodology will be reintroduced after testing, and the door was opened for states to come together—although they would not be required to do so. In addition to seeing many specific changes adopted, we had also succeeded in establishing a collective understanding of the need for change and an excitement about becoming an enterprise that was more nimble and more efficient.

Diving In: Now the Real Work Begins

While the board, state leaders, and staff knew that a great deal had been accomplished, we had not achieved all we set out to do. But, through integration of various perspectives, we had made significant progress and ended up with a stronger outcome. And the changes were made while keeping the organization

intact, with state and national leaders attuned to collective success, despite significant early resistance.

The work, of course, continues. ANA must proceed with implementing the approved changes as well as explore proposals needing further research, such as a new membership structure. So far, the following has been accomplished:

- Detailed tactics and steps to implement ANA's strategic plan for organizational transformation were developed.
- Many states have moved forward in creating multistate divisions; two divisions have launched, and two others are in development.
- A new technology system has been built that will enhance the work of ANA and state affiliates as well as maximize return on investment.
- The CNPE was retired, and the first new professional issues panel has been convened, with two others planned.
- Innovative new programs utilizing cutting-edge tools for virtual learning have been launched.

Change has not been easy. Understanding and support for the changes vary among stakeholders. The impact of working for months to get changes approved, and then working to implement them, has taken its toll. There continue to be pockets of resistance. As ANA approaches the first membership assembly, it is clear stakeholders need to be reminded that the changes to governance will be more substantive than simply reducing the size of governing bodies. The membership assembly and professional issues panels will have different roles than the bodies that came before them. And ANA is focused on moving quickly on a number of additional fronts, including:

- Research to better understand

member needs (new membership pricing and recruitment methodologies are currently being pilot tested);

- Training and support for state leaders that is more robust; and
- Planning for transition to a smaller, skills-based board in 2014.

Not everyone will like every element of the new ANA, but we hope the organization will be stronger and that nurses will be better served—and, consequently, so will the nation's healthcare recipients. Through the experience of working toward organizational transformation, ANA discovered that change can be positive, it can be fast, and the seeds of cultural transformation can take hold when the time is right. There are sure to be midcourse corrections, and ANA recognizes that at each step it must strive for objectivity—and it must be ever on the lookout for new challenges to address. This is a moment in time in which we think we've found some answers. However, the law of unanticipated consequences still applies. Some of those answers will be less than perfect, but we hope the exploration of our quest for relevance may be helpful to other organizations in similar situations.

NOTE

1. Harrison Coerver and Mary Byers, *Race for Relevance: 5 Radical Changes for Associations* (Washington, DC: ASAE: The Center for Association Leadership, 2011).

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