



American College of
Healthcare Executives
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MEMORANDUM

Date: September 5, 2003

To: Governance Implementation Task Force

From: Thom D. Freyer, CAE
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Subject: Proposed Committee on Chapters

ACHE Governance Vision

The American College of Healthcare Executives continually strives to meet affiliates' growing needs and to enhance its value to the profession. With the establishment of local chapters, ACHE will have the infrastructure to deliver networking, education, and career service opportunities on a local level. In doing so, ACHE can better address both local and national healthcare management needs, enhancing the benefits it offers to today's healthcare executives.

This memorandum discusses the critical success factors related to achieving ACHE's vision for the chapter development initiative and the status of ACHE's chapter relations program with respect to these factors. The memorandum also includes recommendations for a Committee on Chapters to advise ACHE staff on continued efforts to develop an effective chapter relations program. The initial task of the Committee is proposed to be the development of a chapter performance management and recognition system.

Discussion

Given the ACHE Governance vision, the strategic objective of ACHE with respect to the chapter development initiative is *to increase the value of ACHE membership*. By increasing the value of membership, ACHE hopes to attract more healthcare executives into membership and increase retention of current Affiliates. To accomplish this vision, three chapter relations factors are critical to our success:

- Strategic Engagement – ACHE and its chapters must be productively engaged in the development of mutual goals and collaborative programs that increase our alignment on issues of strategic importance for both parties.
- Chapter Support and Development – ACHE must deliver effectively on its promise of benefits to chapters that provide affiliation with a nationally-recognized brand, reduce the chapters' administrative and volunteer burden, lower the chapters' administrative costs, and increase the value of membership in the local chapter.
- Performance Management and Recognition – Chapter performance must be monitored and managed to ensure increased value, identify "best practices", and recognize excellence in chapter operations.

At the core of the relationship between ACHE and its chapters is the chapter agreement. This agreement forms the foundation of the relationship in that it specifies the respective rights and obligations of the parties and puts in place the legal mechanisms for management of the relationship. In addition, the criteria for chapter status and the current schedule of chapter benefits provide needed mechanisms to advance these critical success factors.

Strategic Engagement. The criteria for chapter status require chapters to develop and maintain a working relationship with ACHE Regents. This requirement is intended to ensure effective coordination and communication between ACHE's Elected Leaders and the leaders of ACHE chapters. In addition, the criteria require attendance by representatives of the chapter at the annual Chapter Leadership Conference. The first CLC will be held in the fall of 2004 and the program will include activities to increase alignment between the goals of ACHE and the goals of the chapters. Other criteria address basic alignment requirements including alignment on mission, not-for-profit purpose, membership qualifications, enforcement of the ACHE Code of Ethics, multi-year strategic planning, and ACHE affiliation of key chapter leaders.

An ongoing mechanism is needed to ensure that ACHE and its chapters continue to engage in the discussion of mutual needs and goals, as well as the development of mechanisms to further these mutual objectives. This mechanism must offer a significant opportunity for input by chapter leaders as well as an opportunity for dialogue.

Chapter Support and Development. The schedule of chapter benefits outlines a reasonably comprehensive set of programs, products, and services to support the operations of chapters and deliver the core benefits identified above. The programs, products, and services delivered to ACHE chapters will serve to help chapters meet the criteria for chapter status – thereby helping to ensure that ACHE's strategic objectives are accomplished. In addition, the ACHE chapter support and development program will serve to increase the capability of chapters – thereby helping to ensure that chapters' strategic objectives are accomplished.

ACHE's promise to chapters is to continuously improve these programs, products, and services and to help chapters and chapter leaders be successful in accomplishing their goals as an ACHE chapter. An ongoing mechanism is needed to evaluate the efficacy of these efforts and suggest improvements based on the needs of chapters.

Chapter Performance Management and Recognition. The criteria for chapter status requires chapters to perform specific activities that offer benefits to both ACHE-affiliated and nonaffiliated members as well as to maintain the fundamental infrastructure of capable, independent organizations. These criteria also require chapters to make timely response to reasonable requests for reports on activities. In addition, the schedule of chapter benefits requires ACHE to identify and promulgate "best practices" that lead to superior results.

A systematic mechanism for the monitoring of chapter activities has yet to be developed. Such a system must provide information that measures whether chapters are conforming

to and meeting the criteria for chapter status. In addition, this performance reporting system must provide information to evaluate the relative effectiveness of chapter efforts. Finally, the system must provide information to evaluate whether the chapter initiative is successful in increasing value. Research¹ on the critical factors for chapter success suggests that the following indicators are of paramount importance:

- Vibrant leadership with defined succession plans;
- Supportive administrative structures that support continuity, chapter identity, and consistency;
- High member involvement in the programs and management of the chapter; and
- Effective member services that meet key member needs.

To be effective, the chapter performance system must focus on outcomes and results, not just the activities undertaken by the chapter. Such a system also provides an objective basis for the appropriate recognition of chapter efforts that contribute to success. This will serve as an incentive to chapters for exceptional performance.

An informal review of the chapter management systems employed by other associations suggests that the following principles might be applied in the development and evaluation of such a performance management and recognition system:

- The system should be easily understood and hold no surprises.
- The system should support the strategic direction and requirements of both the chapter and ACHE.
- The system should support continuity in chapter operations and leadership.
- The system should encourage chapters to manage and evaluate member satisfaction with chapter-provided services.
- The system should support the sharing of information and ideas between chapters.
- The system should provide timely information to monitor and manage chapter performance.
- The system should set standards for recognition that are fair and attainable.
- The system should provide an objective means for the recognition of exceptional chapter performance.
- The system should provide for the recognition of all chapters whose performance exceeds an exceptional standard of performance.

Summary

This review has identified key new developments that are needed to ensure that ACHE builds on the success of its chapter deployment project. To do so, ACHE will need to take specific actions, in concert with its chapters, to initiate ongoing efforts to:

- engage in the discussion of mutual needs and goals, as well as the development of mechanisms to further these mutual objectives;
- evaluate the efficacy of ACHE's chapter support and development efforts and suggest improvements based on the needs of chapters; and
- develop a chapter performance management and recognition system based on key success factors and mutually agreeable principles.

¹ "Dashboard Indicators for Chapter Success", Mariner Management & Marketing, LLC, 2003

Staff Recommendations

The ACHE staff recommends that the Governance Implementation Task Force make the following recommendations:

1. The ACHE Board of Governors should, at its November 2003 meeting, authorize the formation of a Committee on Chapters in 2004-2005.
 - a. The Committee on Chapters should be composed of former or current chapter presidents with representation from each of the ACHE Districts, chaired by a Governor.
 - b. The Committee should be charged with the development of a chapter performance management and recognition system and the ongoing evaluation of ACHE's chapter support and development programs.
2. The work of the Committee should be grounded in a firm understanding of the mutual goals and interests of ACHE and its chapters. This can be accomplished through surveys of chapter leaders and discussions at the annual Chapter Leadership Conference.
3. The development of the chapter performance management and recognition system should be based on clearly articulated principles such as those included in this memorandum.

These recommendations will engage chapter leaders in productive discussions concerning chapter performance and success. It will enable significant input into the development of a performance management and recognition system, as well as the ongoing evaluation of ACHE's chapter support and development programs, products, and services.