10 Lessons in Organizational Transformation

What CHC: Creating Healthier Communities' Story Tells Us About Effective Strategic Evolution

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The Story

In 1957, CHC: Creating Healthier Communities (then Community Health Charities) was created to serve as a vehicle through which federal and private-sector employees could contribute to its member charities.

Member charities performed medical research, provided community health and patient services, and educated the public and professionals in the health field.[1] As a membership organization, CHC channeled $1 billion through the combined federal campaign alone and engaged with thousands of corporate and government partners to mobilize 17 million employees annually to help address barriers to good health.[2]

As described by the Urban Institute in *The Past, Present, and Future of Workplace Giving in the US*, over time, on-the-job giving has been reshaped through profound transformations in the economy and cultural shifts around individual giving.[3] Over the past three decades, pressures on workplace giving included the prioritization of individual donor preferences over aggregate contributions, organizational restructuring tending toward decentralization and weakened local ties, and the rise in outsourcing.[4] Adding to that, technological advances brough online giving platforms and automated processing, allowing vendors to approach employers directly with competing alternatives. Holding strong through these pressures, CHC is committed to its role in linking the American workforce to community health causes. As stated by the organization's Chief Executive Officer Thomas G. Bognanno, "As long as CHC can raise $10 for a partner charity – that it can't get on its own – there would always be a need." But the organization is also committed to expanding and evolving in ways that are responsive to its current environment and true to CHC's mission to further health and wellness.

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[1] As described in CHC's IRS Form 990 for the year ended June 30, 2016, and earlier.
[2] Community Health Charities Changes Name to CHC: Creating Healthier Communities press release September 1, 2020.
[3] The Past, Present, and Future of Workplace Giving in the US.
[4] The Past, Present, and Future of Workplace Giving in the US.

CHC (now CHC: Creating Healthier Communities) has recently gone through a purposeful and introspective process, transforming the organization from one uniquely focused on collecting and redistributing resources related to advancing health to taking on a deeper role in bringing nonprofits, businesses, and communities together around a shared commitment to better health and wellbeing and addressing the barriers to equity. As described by the organization, CHC's role now is to bring nonprofits, businesses and communities together to improve community health. Their "focus is health equity, addressing underlying issues and removing barriers so everyone can thrive." Their "work is driven by community need".[5]

CHC continues to be anchored in workplace giving, corporate engagement, volunteer programs, and corporate social responsibility. In fact, CHC leadership views these as core strengths and the reason why CHC continues to be trusted and called upon. The organization's legacy allows CHC to leverage both corporate and charity partnerships to advance health equity. According to Adam Rothschild, Chair of the Board, "What CHC began to realize was that . . . where we created our value at that point in time . . . [was] working with the communities, corporations, and their employees. What CHC does is bring together community-based organizations, nonprofits, foundations, and corporations in a community to define what is important, and what needs to be done to begin to address the health crisis that is taking place."

Over the past seven years, CHC has gone through both structural and ideological transformation. To set the groundwork for the organization that it is today, CHC first underwent a more than two-year process to combine 38 separately incorporated local entities around the country into one self-governed national organization. This step was key in becoming a more agile, nimble, and cost-effective organization but required convincing member charities, board members, and affiliated organizations that the change in direction was the best path forward. As told by CEO Thomas G. Bognanno, the first step was to approach CHC's charity partners. As it was then a membership organization, these charities were the only ones that could

change the bylaws and elect officers. "So there had to be a cultivation over more than a year of talking to the national charity partners and telling them why this was the best course for us," said Bognanno. "That was the easiest of the three audiences because they instantly understood. Many of them had already gone through [a merger] or were going through it themselves . . . and they knew that it would be best for them."

The next key stakeholder was CHC's own board, which was tasked with taking a deep look at the organization's operational model and making recommendations for future effectiveness. As part of the process, the board makeup ultimately morphed from being a roughly 50% corporate / 50% nonprofit member representative board to a self-governed board.

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[5] CHC's website at https://chcimpact.org/about-chc/.

As Bognanno explained, "It was just no longer practical to continue to be a membership organization, to have hundreds of charity partners voting on our boards of directors and officers when they weren't really that engaged on a day-to-day basis. So, we became a self-governing board at that time and moved from a membership organization to our current corporate structure." Gradually, and as a natural consequence, the board also became smaller, going from approximately 35 board members to around 20. With some member categories no longer required, the door was opened to board members with new types of representation and qualifications. Finally, CHC affiliates had to vote themselves to become part of the national entity and to no longer be independent. This was the most challenging pivot and required approaching each affiliate to demonstrate the advantages of becoming one organization. The decision had to be grounded in data and recognize advantages such as consistency of brand, uniform pricing for national organizations with local affiliates, and keeping costs low.

Ultimately, CHC's merger set the stage for the second and arguably more significant transition: achieving renewed mission clarity. Bognanno recalls board members being energized by the desire to take the organization's destiny into their own hands: "I think with many nonprofits, there's a strong and understandable need for self-perpetuation. . . . [But] once we had made the decision that self-perpetuation was not our mission . . . all of a sudden [the board had] the freedom to examine the mission." With that freedom came the task of asking difficult questions, seeking clarity about whom CHC serves, and clarifying the path forward.

As part of that mission clarity, CHC launched a refreshed visual brand identity, new messaging and a revised name in September 2020. Instead of "Community Health Charities," the new name "CHC: Creating Healthier Communities" (still CHC) led with the mission, building on more than six decades of impact and identity, while simultaneously expanding to better align with CHC's present-day commitment and long-term vision for the future.

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Thomas G. Bognanno, CEO

> **"To have a more substantial impact, CHC would now leverage its resoures and partnerships to advance health equity."**
>
> Charleeda Redman, Board Secretary

CHC had always worked to drive resources to organizations that were fighting the toughest health challenges—from cancer and Alzheimer's to heart disease, autism and arthritis. And this new work would still require mobilizing significant resources. But, as shared by Amanda Ponzar, Chief Communications and Marketing Officer, board and leadership knew that to truly improve individual and community health for every person in every community would require a coalition of diverse new nonprofit partners. As described by Board Secretary Charleeda Redman, "To have a more substantial impact, CHC would now leverage its resources and partnerships to advance health equity."

Only two years after the organization announced its rebranding focused on community health,[6] CHC's Board of Directors is proud of how far the organization has come in supporting health equity through nonprofit and corporate networks, mapping and measuring progress in community health, and expanding into new work with new expertise. **Signaling proof of concept, CHC reports entering 2023 with over $25 million in financial support for health equity community projects, with supporters including Elevance Health Foundation (formerly Anthem Foundation), MetroHealth, Merck, UniteUS, KPMG and Pfizer – a notable surge from $243,000 in 2020.**

Board members Sandra Nichols and Charleeda Redman now identify CHC's main challenge as "staying in its own lane" even as new opportunities continue to arise. Former Board Chair, Kevin Clayton, believes "that **the roots are firmly planted**, and it'll take more than just a 10-mile-an-hour breeze to knock over the tree." Clayton adds that **CHC's roots are spreading**. "They're growing throughout the country. What it's going to take is continued action and CHC going back to a community after we have connected with leaders and planted seeds, city by city by city, and then watching each one of these cities grow."

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[6] Community Health Charities Changes Name to CHC: Creating Healthier Communities press release September 1, 2020.

The Approach

Working in collaboration with CHC, BBB Wise Giving Alliance set out to interview selected board members, staff leaders, and partners who were actively engaged in shaping CHC's strategic evolution. We know many other organizations are working through similar transitions, and the objective of this report is to share takeaways.

As stated by CHC's Board Chair, Adam Rothschild: "I've talked to Tom (Thomas Bognanno, President and CEO) over time to make sure that he understands how significant [our transformation] is. I think that journey is important for people to understand, and for other nonprofits to look at and hopefully replicate."

BBB Wise Giving Alliance appreciates the time and collaboration offered by:

Kevin Clayton (former Board Chair)	Senior Vice President, Head of Social Impact and Equity, Cleveland Cavaliers
Adam Rothschild (Board Chair)	Investor and Consultant
Charleeda Redman (Board Secretary)	Vice President, Strategy Integration, Children's Hospital of Philadelphia
Sandra B. Nichols, MD, FAAFP, MHCDS, MS (Board Member)	SVP, CMO Health Inclusion and Community Engagement, UnitedHealth Group
Thomas G. Bognanno	President and CEO, CHC: Creating Healthier Communities
All other CHC Board Members who participated in a short anonymous survey	
Valerie Rochester	Chief Health Equity Officer, CHC: Creating Healthier Communities
Amanda Ponzar	Chief Communications and Marketing Officer, CHC: Creating Healthier Communities
Heather Kramarek	Strategist
Kimberly Irwin	Executive Director, Health by Design

Based on the input offered by these CHC constituents, BBB Wise Giving Alliance found that the CHC story offers 10 lessons around five themes: renovating identity, keeping a long-term view while advancing methodically, collaborating, integrating diverse communities, and building trust.

Who Am I?

At CHC, the search for renovated identity started with asking challenging introspective questions. As told by CHC's CEO Thomas G. Bognanno, these questions included: Is our mission worthy? Are we doing everything we can with the resources at hand? "There was an honest conversation about whether, if CHC went away tomorrow, what difference that would make." Leaders took a step back to examine the rationale for the organization's existence.

With that came some path-changing realizations. The first was a shift in the organization's understanding of what "healthy communities" entail. Board Chair Adam Rothchild recalls that the decision to move from a definition of health as chronic illness to the underlying causes of illness was perhaps the most important decision made during the transformation. **"At the time it looked like a baby step, but it was the biggest step . . . because it put us on a different path."** That shift in definition would later lead the organization to focus even deeper on health equity and the social determinants of health as levers of change.

Fresh out of a transition from a member-governed to a self-governed organization, the board also redefined whom they represented and served – from members and affiliates only to a broader group that included their charity and corporate partners but also reached other donors and the communities they hoped to impact. **Redefining the groups and communities CHC served naturally led to new strategies.** Board Member Sandra Nichols remembers shifting from "an opportunity to go from giving [the community] a fish, to working with communities to bring them to the table as partners."

As expressed by Kevin Clayton, former Board Chair, he and Bognanno "had a common why. We were servants of the mission. We both understood what was at stake. We had a vision of where we wanted to be (health equity, underserved communities), but it was through terrain that nobody had traveled before in the organization. There was no map. We said, 'Here's our North Star.' And as long as that North Star was shining, we knew that we were heading the right direction."

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SEEK MISSION CLARITY

During times of transition, start by revisiting your mission.

Getting to the core of the organization's reason for existence is imperative before setting a new path forward. It might seem like a basic step, but gaining mission clarity can be hard introspective work that is key to staying in your lane and being effective.

In Charting Impact* – a collaboration between Independent Sector, BBB Wise Giving Alliance, and Candid (then GuideStar) – we pose the following question:

What is your organization aiming to accomplish? Clearly and concisely state your organization's ultimate goal for intended impact. Identify the groups or communities you aim to assist, the needs your work is addressing, and your expected outcomes.

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*https://www.give.org/assets/wga/wise-giving-guides/summer-2011-guide-article.pdf

TAKE STOCK OF YOUR CAPABILITIES

As also recommended through Charting Impact:

"Detail the resources, capacities, and connections that support your progress towards long-term goals… Identifying your organization's specific capabilities and how they are aligned with your long-term goals can help you deploy your resources effectively, giving stakeholders confidence that these resources are being utilized constructively."

With mission clarity, organizations are better equipped to maintain their focus. As CHC continues to build a strategy around its renovated identity, Nichols observes, "the opportunity and the challenge for CHC is to try to stay in the lane that it creates." As the organization is faced with many new opportunities, Nichols wants CHC to stay focused, making sure that each step helps build partnerships around creating healthier communities. Board Chair Adam Rothschild agrees: "The challenge is not to get distracted by the shiny new objects . . . because that can take you off strategy and eat up resources." For now, CHC's objective is not to get big – but to help create a movement around health equity. This has also required CHC to prioritize newly identified groups served over other internal pressures. If an organization is not careful, "you'll end up having a series of compromises and cut a deal here and there," explained President and CEO Thomas G. Bognanno. "The mantra was to do what is best for the charities, donors, and people in the community."

In defining the path forward, CHC needed to prove that its new focus on creating healthier communities and promoting health equity was not only viable based on its resources, capacities, and connections, but also that it was a sound business decision. Bognanno recalls that he kept challenging his own staff to tell him, in the data, where they saw potential and where the organization was willing to use some of its resources to take a risk. Bognanno also shared that he heard feedback from people who understood the need and felt "resoundingly that there are very few organizations like [CHC] willing to do this. . . We knew the problem; it was going to be risky."

When reflecting on the social determinants of health[7], CHC Board Member Sandra Nichols pointed to the tension between demonstrating immediate returns and the long-term work required to have an effect over well-established systematic barriers to community health. "How do we empower those things that may not immediately show a return on investment . . . but that will have a major impact on healthcare?"

Long-term View… One Step at a Time

As identified by CHC, advancing health equity involves racial, cultural, and systematic barriers that require time to address. While CHC did not disengage from its traditional role engaging organizations and raising funds, "proof" for its new concept could have taken years.

The board and partner organizations had enough conviction in the new concept – and trust in CHC's capabilities and connections – that they were willing to take the leap of faith. "The thing I really want to transmit is that it was risky," said Thomas G. Bognanno, President and CEO. "There was no track record for success. There were legitimate questions asked by many members of my board. . . . **I knew the safer bet was to shut my mouth and go to retirement, but I couldn't do it, and neither could some of the board members.**" Board Chair Adam Rothschild remembers being one of the board members who raised questions about sustainably funding CHC's expanded mission. "We gotta do it and hope the money comes. . . . That was a leap. . . . We were fortunate enough to have some strong support from partners."

In retrospect and with growing proof of concept under their belt, CHC's pivot is starting to come across as a natural and seamless evolution. But Bognanno describes it as a patient process: "Kevin Clayton [former Board Chair] was the one that always counseled me: Tom, **we need to change the culture before you change people's hearts**, before you can get them to agree on this change. We need to patiently go through and show them what equity is and what it isn't, what inclusion is and what it isn't, and then make a solid defensible business case. Why it's good to make this investment and to take this risk. And he did that."

MIND THE LONG TERM

In this era of ROI (Return On Investment), there are undeniable pressures to prove impact in the short term. But while short-term results are important, addressing social goals requires a long and persistent outlook.

In a 2021 Special Donor Trust Report on Charity Impact, BBB Wise Giving Alliance asked potential donors to rate the importance of immediate and long-term results. Both immediate and long-term results are important, but more respondents said long-term results are highly important (31.9%) than said the same for immediate results (20.7%). The relatively high importance attributed to long-term results as compared to immediate results held across age and giving levels but was most marked among older and higher donors.

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[7] Per CDC, social determinants of health are "conditions in the places where people live, learn, work, and play that affect a wide range of health and quality-of life-risks and outcomes." Examples include transportation, housing and neighborhood built environment, economic stability, and access to healthcare.

What CHC now describes as a "step-by-step" approach was a multi-year, methodical, and intentional process.

Exposure
- Expose Board and leadership to key concepts: Diversity, equity, inclusion, accessibility (DEIA) and belonging; Environmental, Social and Governance (ESG) reporting, Social Determinants of Health (SDOH), underserved communities, cognitive diversity, lived experience, change theory.
- Expose Board to nonprofit communities, citizens, and leaders in underserved communities.

Definition
- Establish baseline understanding for key terms within the organization. For example, what does "health equity" mean to CHC? How is that reflected in the organization's mission, vision, and values?

Education
- Offer staff learning and training opportunties.
- Build trust among board, leadership and staff. For example, Kevin Clayton (then Board Chair) spoke to staff after the murder of George Floyd and trained staff and board on diversity, equity and inclusion.

Practice
- Build awareness. How do we make it practical so that not only CHC staff, but all partners, board members, and stakeholders understand how CHC works to address health equity?
- Develop program to "actually practice health equity."
- Trickle new approach down to each position. What does this mean for my position?
- Incorporate evolved outlook into the organization's refreshed brand.

Community
- Build on existing relationships to partner with community organizations, community leaders, elected officials, and others.
- Consider new collaborations. How can the organization form more strategic partnerships to bring the subject matter expertise, relationships, and funding to the table -- combining these levers into an actionable initiative?

Strategy
- Transform the organization through new capabilities. CHC become an entity that can offer systems assessment, coordinate collaborative efforts, build capabilities, and document project development and scalability to create healthier communities.
- Form a program development strategy.
- Identify core areas of focus: utilizing known capabilities and relationships to positively affect social determinants of health and people in the community.

Opportunity
- Harness relationships.
- Focus on efforts consistent with new new mission, vision, values, and goals.

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Thomas G. Bognanno, CEO

Through a confidential survey of CHC's Board, one board member described the single most important Board practice or characteristic that has helped CHC successfully transition into the organization it is today: "Patience. When we set out to evolve CHC's value proposition, we knew that it would be years before we saw a return on that strategy. **It would have been very easy to quit and retreat to more comfortable ground at many moments along the way. We stayed true to the strategy, and now we are leaders in health equity." Another board member put it simply as "strategic vision."**

An early key moment in the organization's cultural transformation happened during a board session and Future of Health convening hosted by the Cleveland Cavaliers. Speakers included representatives from the Cleveland Clinic, KPMG, MetroHealth, RPM International, Under Armour, and University Health Systems. Board Chair Adam Rothschild said: "Our previous Board Chair Kevin Clayton hosted our board meeting March 2020, in Cleveland . . . We pulled together community-based organizations, nonprofits, corporations, and employees, to really talk about the challenges facing Cleveland." Rothschild recalls this meeting as being pivotal in bringing to life the value that is created through connectivity and community immersion. Board Member Charleeda Redman also speaks highly of Kevin Clayton's leadership role in strategically shifting the organization's outlook: "Kevin, at that time the chair, was just a very powerful voice and very convincing and charismatic." Redman describes Kevin Clayton as having the vision and connections needed for success, and the leadership skills to inspire other board members to learn and join the journey. People who know Clayton describe him as an empowering leader who thinks big, challenges the status quo, and believes partnerships mean that we are much stronger together than competing.

TAKE A METHODICAL APPROACH

Cause work usually starts with a strategic vision. Staying on track requires conviction, patience, and perseverance.

Building a systematic plan and understanding the steps needed along the way helps organizations assess progress and honor the small steps required in the path forward.

With that in mind, BBB Wise Giving Alliance's Standard 6 calls for a board policy of assessing, no less than every two years, the organization's performance and effectiveness and of determining future actions required to achieve its mission.

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NETWORKS ARE SUPERPOWERS

Not all organizations have a legacy of partnership and collaboration, but BBB Wise Giving Alliance's nonprofit collaboration series (itself a collaboration with *Stanford Social Innovation Review*) highlights that "nonprofits, large and small, are facing increased pressure to deliver on their missions in creative ways … prompting many organizations to consider creative approaches to their work, often through collaboration with other groups" sometimes in seemingly unlikely or untraditional alliance. "Survival of the fittest is out. Survival of the connected is in."

Stronger Together than Competing

CHC's board came to realize that the organization's core business – workplace giving – had become largely transactional; but the strategic competencies built around their workplace giving legacy (such as broad subject matter expertise and leadership, and networks of corporate and nonprofit health partners) could be used for deeper impact. The organization saw an opportunity to gather diverse entities to collaborate around community health and health equity. As shared by Bognanno, CHC had built relationships since its inception in 1957 and, at this turning point, "The board said: We have a powerful network of corporate supporters. We have a powerful network of nonprofit partners. . . . What more could we do with those networks that we're not doing today? We are about what our partners are: creating healthier communities." Clarity about their strategic strength helped build clarity about their role in the broader ecosystem and about possibilities for collaboration.

Elevance Health Foundation, then called Anthem Foundation, was the first long-term partner to invest in CHC's health equity programmatic work. As shared by Amanda Ponzar, Chief Communications and Marketing Officer, Elevance and CHC worked together to create the first-of-its-kind health equity database and new typology for defining community partnerships. Then, in March 2022, CHC announced Elevance Health Foundation's investment of $7 million to address the risk factors leading to higher rates of preterm births for expectant Black women in Indiana, Georgia, and Ohio.[8] As explained by Elevance Chief Health Officer Shantanu Agrawal, the award would enable CHC "to determine the efficacy of early screening and identification, combined with proven, community driven interventions, in improving birthing outcomes for Black women.

Not only [would] CHC's initiative address the Black maternal health crisis, but it [would] improve overall maternal and infant

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[8] Anthem Foundation and CHC: Creating Healthier Communities Partner to Address Health Disparities Impacting Black Pregnant Women press release March 30, 2022. Initial Anthem grant results are available at: First Health Equity Database Created by Anthem Foundation and CHC: Creating Healthier Communities | CHC: Creating Healthier Communities (chcimpact.org)

health, especially in communities of color where health disparities have a dramatic impact on outcomes." Other leading partners in this initiative include Health by Design, Strength in Numbers Consulting Group, and key local, community-based organizations that embrace the lived experiences of Black women.

Executive Director of Health by Design Kimberly Irwin shared that the collaborative effort between CHC and Health by Design on the initial Elevance (then Anthem) grant allowed Health by Design to expand its work around the social determinants of health, doing work that had not historically been funded: "The funding relationship was extremely helpful to develop a new line of work around infrastructure development and systems change." Irwin also values having a national partner and a connection to tap into things happening in other communities, broadening her organization's strategic thinking.

CHC's broad network consisted of thousands of global, national, regional, and local nonprofits. In promoting community health and health equity, local connections became strategically crucial. While organizational networks were a core strength for CHC, the new mission called for local connections (including community members and leaders) and partnerships with new organization types (including churches, and community based organizations focused on other social determinants of health) to map, facilitate, and evaluate impact. Board Member Sandra Nichols stated, "We have feet on the ground in every state in the country. We're working directly with community-based organizations. Who has that? And that is the missing puzzle piece to all of what we're doing."

Indeed, **relationships have enabled CHC's transition**. Starting with the organization's merger, it was the relationship with member charities – some of which went back 60 years as founding voluntary health agencies – that supported the change. Since then, **CHC relies on the alignment of interest among communities, charities, and funders to understand systems and challenges in a community, find synergies, and build solutions together**. As stated by Chief Health Equity Officer Valerie Rochester, "[President and CEO Thomas G. Bognanno] is great at building these partnerships and identifying areas of alignment. I would think **CHC is one of the more highly**

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CONSIDER THE RECIPROCITY ADVANTAGE

In their book, *The Reciprocity Advantage*, Bob Johansen and Karl Ronn recommend defining your organization's "right of way" (resources you have and can share with others) and partnering with others to do what you can't do alone. Their model then calls for experimenting to learn and scaling at low risk.

As you embark in a new path, it is particularly important to take stock of your unique capabilities and consider whether the organization can capitalize on its "right of way" to grow its influence through partnerships.

As shared by CHC on its website: "Our greatest impact is together. CHC is a trusted leader in achieving health equity through partnerships, alliances, and community engagement."

collaborative organizations that I've worked with." CHC's evolution enables the organization to have deeper impact through partners that help expand their local reach, understanding, and influence. At the same time, CHC offers an ability to amplify successful models and established connections with corporate partners.

Integrating Diverse Communities

CHC leaders make very clear distinctions between their efforts to integrate diverse communities as part of their mission work and the organization's diversity, equity, and inclusion. These concepts ultimately influence each other – but are not the same.

When it comes to their new work in health equity, Chief Health Equity Officer Valerie Rochester explains that "there is a sense that health equity is all about race. . . . Unfortunately, a lot of the health equity challenges are grounded in communities of color. . . . So, there's no way around the race issue, but I don't want race to be the focus of the work . . . that's a balance that I'm always trying to make." Similarly, Board Member Sandra Nichols notes, "**We spent a lot of time talking about how creating healthier communities is not for a race, it is not for a group. Creating healthier communities is for the community as a whole. Because until we all are well, none of us are**." Nichols further poses the question: "If a person has a right to an attorney when they've committed a crime . . . doesn't every person have a right to a physician?"

CHC's focus on health equity was born of a deliberate intent to help create healthier communities. "Our partners are about creating healthier communities. . . . But the reality is that it is not a level playing field," said Bognanno. "We began to say, when you peel back this onion, it comes to something that is structural in our society, literally from the day of birth. That really brought us to confront a more difficult question: Are we going to organize ourselves around this principle of equity of health for all, even though it would mean a radical shift in our approach?"

In describing his pivotal role integrating diverse communities in CHC's work, Kevin Clayton recounted: "I was able to leverage where I sat in my role with the Cleveland Cavaliers and offered to host a meeting here in Cleveland geared towards **exposing our board members firsthand to some of the challenges that our communities face** on a national basis. We went out to different nonprofits and to healthcare systems to let our board actually see what was happening so they could touch it, they could feel it. We met with the community. We heard from leaders at the highest

ASK YOURSELF WHETHER YOUR WORK IS INCLUSIVE

It has been said that we are not in the same boat. We are in the same storm, but some have yachts, some have canoes, and some are drowning.

During times of transition, it is especially important to examine past performance and define future goals and actions in relation to a revisited mission and the constituents that will be affected by it.

For example, this is an opportunity to ask hard, introspective questions about disproportionate service, how well the organization's leadership represents the communities they serve, and any gaps in organizational capabilities to achieve intended goals.

"It was a methodical approach over three or four years, a basic understanding where people weren't threatened, a deeper dive so they could see how our life's experiences helped shape our thinking. There was always this 'outside inside' approach."

Kevin Clayton, Former Board Chair

level at community based organizations—black, white, male, female, gay, straight. We met with those in need. **It was a methodical approach over three or four years, a basic understanding where people weren't threatened, a deeper dive so they could see how our life's experiences helped shape our thinking. There was always this 'outside inside' approach.** Then finally, the tipping point was bringing everybody to Cleveland so that they could actually sit down at the table with people, with community organizations in need."

While incorporating diverse communities in the organization's mission work was a distinct realization, representation of people of color on CHC's board influenced its mission shift; and once health equity was identified as a priority, the organization needed board and staff members with specialized skills and lived experiences.

"The board is much more diverse now than it was when I joined," said Board Chair Adam Rothschild, who joined CHC's board six years earlier. "Almost immediately after I joined, we began to look at the board and say, we need to increase our diversity. And part of that was just for health of the board. . . . You don't want a board of like-minded individuals who have the same exact background, who approach things from the same perspective." Over time, it became increasingly obvious that the board needed to have more people with experience in community-based organizations as well as more clinicians, for example.

Board Member Sandra Nichols shared that the decision to focus on health equity was controversial when it was first made. There "was a key group [of board members] working in this area, who really felt very strongly about the opportunity. . . . And many of us had lived lives where [we were] just tired of . . . here's a penny, go away. . . . But here's

an idea, here's a solution. Here's how you can support your community. Now you take it back and make a difference." For Nichols, this goal is personal. "It was extremely important to me personally because I am a product of the Little Rock East End Project and Little Rock, Arkansas. . . . I've spent my entire career looking at opportunities to help." Similarly, Board Secretary Charleeda Redman recounted: "My mother is a single Black mother with three children and battling all of the things [CHC now works to address]. I am a product and a beneficiary of Head Start . . . and I don't know who I would have become if I hadn't had that as part of my mom's village. . . So I want to continue to be engaged."

CHC leaders consistently agree that they focus on diversity of experience and expertise, rather than race and other demographic factors. "I often think about the definition of diversity, and how we look at that," expressed Sandra Nichols, Board Member. "And we're not talking about diversity of race. We're talking about diversity of ideas, diversity of creativity . . . and bringing to the table . . . [people who are going to] tell you what it is that people are not going to like. And so, the diversity we've brought to the table, yes it has been diversity of BIPOC individuals, but we've also brought diversity of ideas, information from great corporations who are looking at things through their lenses, and diversity of community people who are helping us."

Embarking into community health and health equity, CHC needed to check for blind spots, ultimately calling for added experience not only on the board, but also within its staff. Nichols recalled, "In order to talk about transformation and work with the community, . . . that trust factor needs to be in place. My biggest concern was how close was the board and the organization to the organizations that CHC works with."

Bognanno shared that **during such transformation processes, "you have to do a deep dive into experience and competency**. . . . Do we have people that understand public health? Do we have the diversity and the inclusion to do this? It wasn't just a matter of race. Do we have people that truly understand the nature of what community health is? What equity is? What racism is? And, if we do, can they teach the other members of the board and staff the deeper issues, the complexity of going in this direction?" The hiring of Chief Health Equity Officer Valerie Rochester in May 2021 marked a meaningful step in that direction, according to CHC leadership.

As stated in the press announcement at the time, "Bringing Valerie to CHC demonstrates [CHC's] ongoing commitment to reducing health disparities. . . . Her leadership and significant expertise will accelerate [the organization's] work, and most importantly, help advance healthier people and communities – the outcome that we're all working so hard to achieve." Rochester understood it was a new position, "building something that really had not been addressed [at CHC] in the past." She recalls, "One of the first things Tom said to me during my interview process was, 'I'm an old white man, so I know I'm not the one to lead this.' And that's refreshing."

While recruiting for diversity of experience and knowledge, CHC leadership thought it was imperative that everyone feels "part of it." Board Chair Adam Rothschild acknowledges that demographic quotas can make legacy folks feel excluded. Especially during times of transition, CHC leadership wanted everyone to feel part of the goal. Bognanno recalls being empowered by his collaborative work with then Board Chair Kevin Clayton. "Linda [Board Vice Chair, Linda Blount] said it to me all the time: a white CEO and a Black board chairman from the Cleveland Cavaliers – Do you realize how powerful this is? Together, we can speak to people about this idea, about transforming a healthier community." This partnership gave Bognanno the confidence that he could rely on Kevin's lived experience and didn't need to rely on his own. "Kevin Clayton had dedicated his career to this. . . . He gave me his partnership and his promise: 'Tom. We will do this together.'"

SEEK AND SHARE BOARD AND LEADERSHIP REPRESENTATION

At a time of increased awareness about DEIA issues in society, charities should strive to ignite or maintain momentum around their own DEIA path.

In a 2021 Special Donor Trust Report on Diversity, Equity, and Inclusion, BBB Wise Giving Alliance found that most participants say they assume that a charity having a diverse, equitable, and inclusive board and staff has positive effects on how trustworthy the charity is, how well the charity serves its constituents, the organization's ability to incorporate broader perspectives, and the charity's overall achievements. Such positive associations point to a donor base that appreciates DEI on a charity's board and staff.

Board and staff representation can also be what propels a charity to become more introspective about inclusivity in its mission work.

9

Building Trust – Doing It Together

REMEMBER PARTNERSHIPS ARE NOT TRANSACTIONS

In *Hacking Nonprofit Collaboration*, BBB Wise Giving Alliance's CEO, Art Taylor, recommends:

"Parties must understand that for the project to succeed, it must fulfill each participant. Build in regular intervals for discussions about whether the relationship satisfies all parties, and whether everyone is able and willing to continue the commitment. Be willing to adjust responsibilities if justified."

Good partners seek to assure the success of collaborators as well as their own; and find synergies for the common good.

CHC aims to be transparent and authentic in building external relationships, taking time to understand each partner's capabilities, experience, and goals. This approach helps build trust and seeks to make both parties stronger.

Internally, honest communication is encouraged among those on the board and between board and staff members. Board Member Sandra Nichols shared: "The conversation itself brings about trust. The building of the program team to do the work is a major trust, plus having open-minded board members who work and play in this space and have the clarity and understanding of healthcare as a whole. Employers get it." Similarly, Rothschild shared, "People feel good about the work that they are doing and the way they are contributing. . . . We enjoy each other's company. We work hard together, and we learn from each other. . . . I would struggle to tell you one meeting where I didn't walk away learning several new things."

As consistently told by board members, CHC is clear in the recruitment process that they are looking for a working board. Rothschild explains: "We attract people who want to do work and we're really clear in the recruiting process. I joke that we're not a celebrity board. We ask people for their time and their energy. . . . **The Board is passionate about the cause, our purpose and our mission. . . We literally describe ourselves as a working board. But what that means is that we work to support the organization.**" Board Secretary Charleeda Redman shared that her board committee met monthly. "We are so close to this staff. . . . There are so many ideas and [there is] so much engagement from the board."

In CHC's board recruitment process, the Board Chair interviews potential board members to ensure mission alignment and gain understanding about what candidates are looking for in becoming part of the board. Every year, board members have the opportunity to sign up for specific work and projects, helping CHC staff drive the mission forward. "We've really structured it in clearly defined roles and responsibilities in the committees," said Rothschild. "For example, the Health Equity Committee is chaired by a board member, who has a partner from staff, the Chief Health Equity Officer. They work together to set the agenda and define roles moving forward. Plans, strategies, and opportunities come through the committee."

As described by a board member in a short confidential survey, the most important board practices that have helped CHC successfully transition are "term limits and increasing and varied responsibilities for board members who have potential for leadership." This came across clearly in a conversation with Board Secretary Charleeda Redman, who observed, "[Early in my tenure,] I said to Kevin and Tom, 'I don't know that I'm helping you at this point.' It didn't feel like I was able to have an impact. And they both were very reassuring: 'Just hang in there with us, Charleeda. . . . We know you will have an impact and you will be able to help us.'" Later, Redman became a key member of the Health Equity Committee. "And that's really where it started to feel like, okay, now . . . I feel like I'm contributing."

During times of transition, conversations are not always easy. With the organization's merger, refreshed brand and mission evolution, some staff wondered about their position and fit. Chief Health Equity Officer Valerie Rochester recalls, "I learned that people needed a definition, people needed an understanding of what it meant for us to have this health equity focus." Valerie describes her first six months with CHC largely spent talking to people and helping them understand how health equity had a role to play in their work: "finding ways for people to connect the dots from what they were doing in their traditional role to how it applied to this new focus." The Board Health Equity Committee became engaged in the process too, putting together presentations to help communicate the new direction to staff. Then Board Chair Kevin Clayton and President and CEO Thomas G. Bognanno, regularly met and listened to staff.

As put by Rochester, "Tom is a very open leader. I mean, he seeks input, and I appreciate that. He also says when he doesn't know something; I appreciate that too."

10

STAY HONEST AND TRANSPARENT

In Hacking Nonprofit Collaboration, BBB Wise Giving Alliance's CEO, Art Taylor, recommends:

"Build trust. Nonprofits can demonstrate trustworthiness through good governance, solid financial management and reporting, and communicating truthfully and transparently. Trust is the basis of a strong collaboration. Relationships of all kinds move faster if the parties are trustworthy in the manner in which they conduct their affairs. In his book, *The Speed of Trust*, Stephen Covey writes, 'Trust always affects two outcomes—speed and cost… the more transparent collaborations are, the more likely those participants will gain recognition and foster potential future collaboration with other partners.'"

Honesty and transparency are at the core of trusted relations with outside collaborators, as well as among board members, and with the staff.

10 LESSONS IN ORGANIZATIONAL TRANSFORMATION

1

SEEK MISSION CLARITY

During times of transition, start by revisiting your mission. Getting to the core of the organization's reason for existence is imperative before setting a new path forward. It might seem like a basic step but gaining mission clarity can be hard, introspective work that is key to staying in your lane and being effective.

2

TAKE STOCK OF YOUR CAPABILITIES

Detail the resources, capacities, and connections that support your progress toward long-term goals. Identifying your organization's specific capabilities and how they are aligned with your long-term goals can help you deploy resources effectively, giving stakeholders confidence that these resources are being utilized constructively to advance your mission and position your organization for the future.

3

MIND THE LONG TERM

In this era of ROI (Return On Investment), there are undeniable pressures to prove impact in the short term. But while short-term results are important, addressing social goals requires a long-term outlook and persistent commitment.

4

TAKE A METHODICAL APPROACH

Cause work usually starts with a strategic vision. Staying on track requires conviction, patience, and perseverance. Building a systematic plan and understanding the steps needed along the way helps organizations assess progress and focus attention on incremental targets.

5

NETWORKS ARE SUPERPOWERS

Not all organizations have a legacy of partnership and collaboration but alliances – sometimes unexpected or untraditional – can be the key to creative, successful, and holistic approaches to mission work.

6

CONSIDER THE RECIPROCITY ADVANTAGE

Identify the resources you have and can share with others to do what you can't do alone. As you embark on a new path, it is particularly important to take stock of your unique capabilities and consider whether the organization can capitalize on its "right of way" to grow its influence through partnerships.

7

ASK YOURSELF WHETHER YOUR WORK IS INCLUSIVE

Times of transition offer an opportunity to ask challenging, introspective questions about disproportionate service, how well the organization's leadership represents the communities they serve, and any gaps in organizational capabilities to achieve intended goals.

8

SEEK AND SHARE BOARD REPRESENTATION

Strive to ignite or maintain momentum around the organization's diversity, equity, and inclusion path. Having a diverse, equitable, and inclusive board and staff signals to potential donors that the charity is trustworthy, serves its constituents well, and incorporates broader perspectives. Board and staff representation can also propel a charity to become more introspective about inclusivity in their mission work and then take action to address it.

9

REMEMBER, PARTNERSHIPS ARE NOT TRANSACTIONS

For collaborative work to succeed, it must fulfill each party. Build in regular intervals for discussions about whether relationships satisfy all parties, and whether everyone is able and willing to continue the commitment. Be willing to adjust responsibilities if justified. Good partners seek to assure the success of their collaborators as well as their own and find synergies for the common good.

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Build trust. Nonprofits can demonstrate trustworthiness through good governance, solid financial management and reporting, and communicating truthfully and transparently. Honesty and transparency are at the core of trusted relations with outside collaborators, as well as among board members and staff.