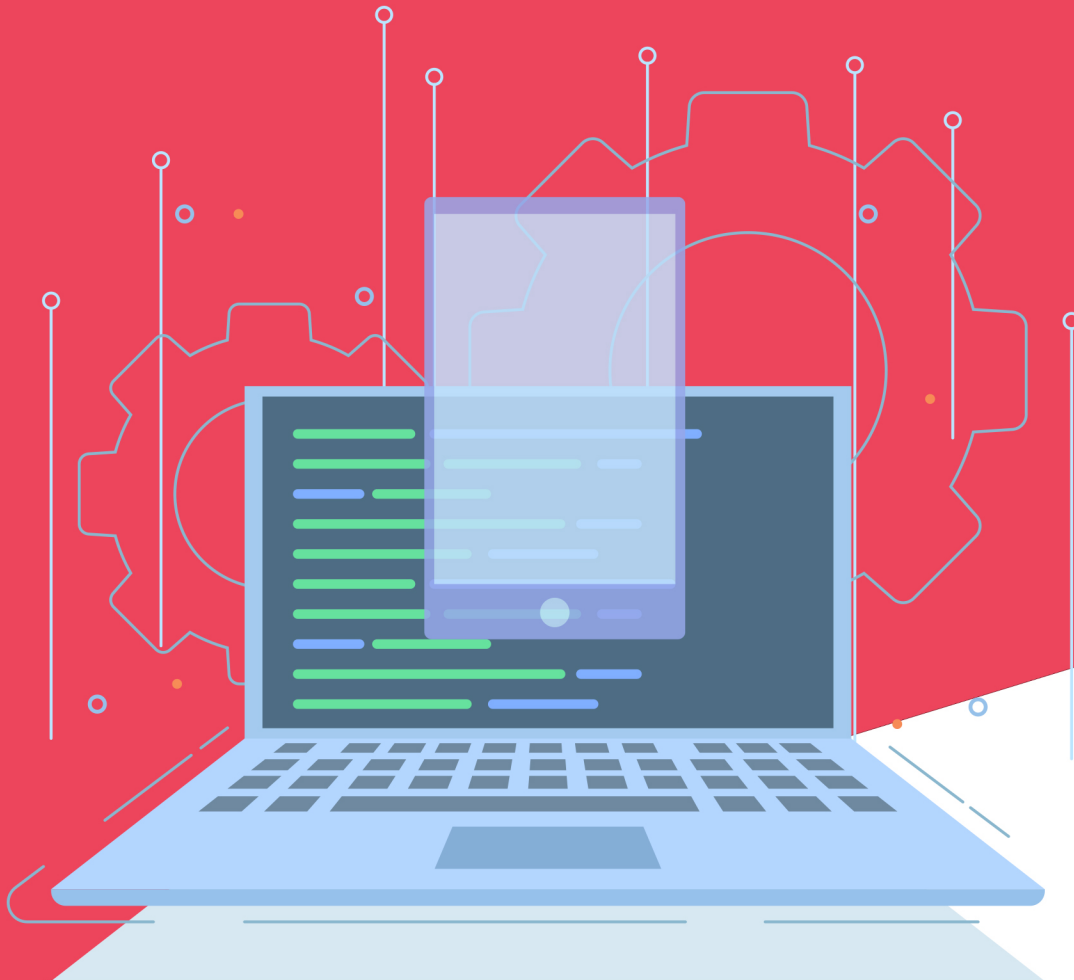


STRATEGIC DIGITAL TRANSFORMATION

A COLLECTION OF INSIGHTS
FROM **SURGE** SPRING



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INTRODUCTION



The following pages house the results of an industry-wide virtual collaboration.

SURGE Spring assembled association professionals from across the globe to harness collective knowledge, through a virtual conference focused on transformative ideas and designed to maximize social learning.

Attendees could not only hear from speakers, but converse with them in real time and contribute their own ideas. We have now assembled some of the best insights from these conversations into a body of knowledge for the benefit of the entire association community.

This eBook delves into and expands upon the session, *"Digital Transformation: A Tale of Two Strategies"*. It includes themes from the speakers' conversation, contributions from attendees, and links to further resources.

Thank you to all who participated – and if you missed it, go to the SURGE Spring [event page](#) to watch all the sessions for free, at your leisure!

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01

FEATURED SPEAKERS





Susan Cato

Director, Digital Strategy & Member Services, American Society of Plant Biologists

Over the past 20 years, Susan has served in positions of increasing responsibility for trade associations, nonprofits, and professional societies – working at a strategic level to maximize awareness, visibility, growth, and engagement. Working in a variety of positions has allowed Susan to continually broaden her skills in analysis, development, implementation, and improvement of digital solutions and services. Throughout her journey, Susan has become an association leader and trailblazer, enabling the organizations she has served to improve communications and engagement through a variety of channels.





Maddie Grant
Culture Consultant & Digital Strategist, Human Workplaces

Maddie Grant gained notoriety as an expert digital strategist who has helped hundreds of organizations engage with their customer base and build capacity for using social media and online communities to achieve business results. Recognizing the transformative and human-centric power of social media early on, she helped organizations integrate social media into their culture authentically, rather than attempting to bolt it onto a new process.





Garth Jordan

**SVP, Corporate Strategy,
Healthcare Financial
Management Association**

Since co-founding RevvCrew to help associations and non-profit organizations unlock their new revenue streams potential, Garth has taken the role of senior vice president of corporate strategy for the Healthcare Financial Management Association, and now works on special projects for RevvCrew. Previously, he was the COO & CFO of the Denver-based MGMA (Medical Group Management Association) where he oversaw all IT, marketing, business development, membership, customer relations, and financial operations for this \$25 million national health care association. Prior to MGMA, Garth held a number of other association executive roles, and was VP/COO of Mercy Housing. He earned his MBA from the University of Colorado, Denver, and a Bachelor's from the University of Colorado, Boulder.



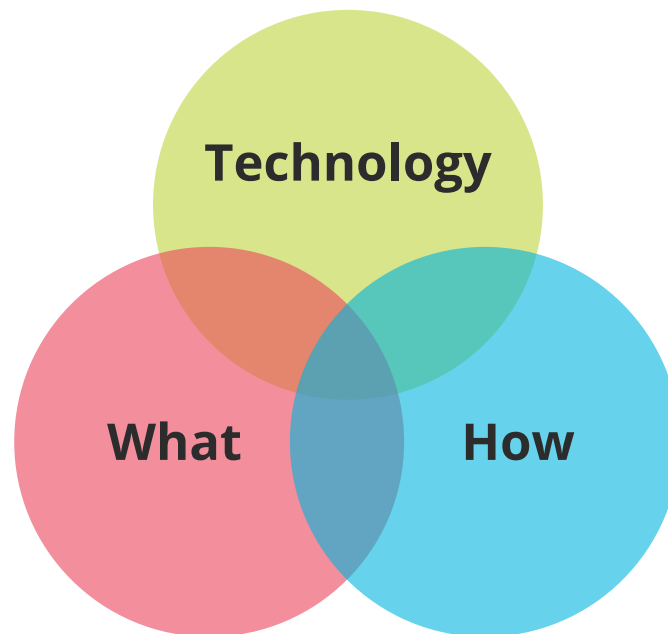
02

**DIGITAL
TRANSFORMATION:
AT THE
INTERSECTION**

A truly transformative space lies between the 'what' and the 'how'.

BY SUSAN CATO

What exactly do we mean by digital transformation? It's clear that transformation represents a break with tradition – but this break in terms of technology could be manifested either in what we do, or in how we do it. Digital transformation proper, in my opinion, happens at **the intersection between the what, the how, and the technological developments at play.**



This means that a transformative digital journey is not just about taking what you already have and putting it online; nor is it simply about creating a new online product. Instead, it involves innovating beyond what your community already has, and beyond what they might think they need, **towards creating something new that they might not even have known they wanted** (notice that I say community here, rather than just members. This will become clear below). When it comes to the end goal, we should be expanding our focus outside of our own processes to consider evolving consumer behaviors and expectations, and the impact of technology on our communities at large.

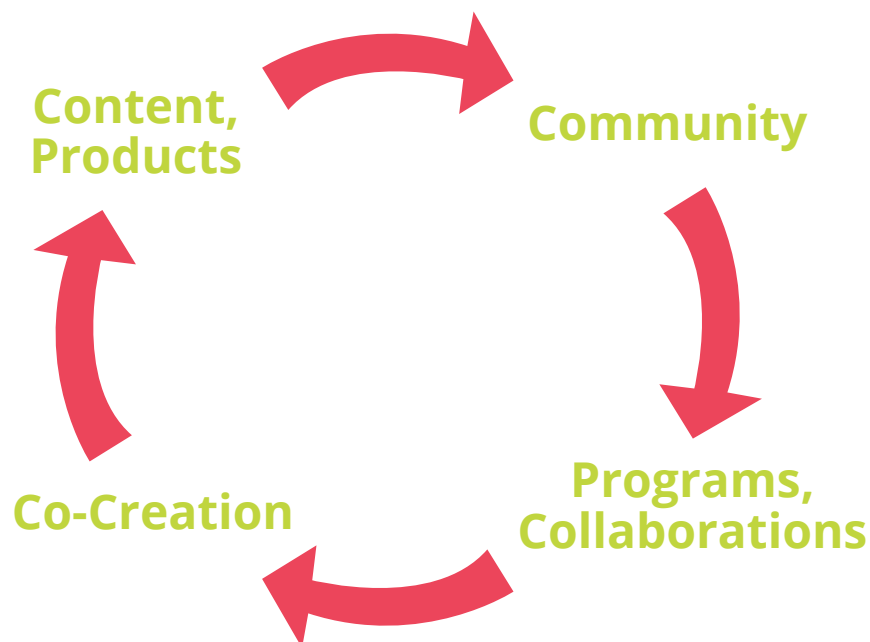
Attending to this intersection matters, because to focus only on creating new tools, or on digitizing existing products and processes, is to lose sight of the ultimate value for your community. If we want to offer value to our communities in this emergent digital climate, we need to assess and evaluate how to grow our initiatives in a way that will anticipate and meet their needs and expectations. The question becomes both who can we work with, and what could we be – **and the intersection between the two is a transformative space.**

Another important piece of digital transformation is its **holistic character**. Digital transformation isn't something you assign to a person in a corner office, nor is it something you can expect to see happen with one discrete change of processes. Since transformation is going to result in a different way of doing as well as a different set of tools, it has to be ingrained in the cultural perspective of the organization as a whole. It is also an ongoing process, which implicates the way you engage with your members going forward.

On this theme of going forward: being prepared for the future demands that we consider the Three R's: **Relevance, Revenue, and Resilience**. This first part, relevance, is really significant for digital transformation. Take my organization, the American Society of Plant Biologists, as an example. Just before I arrived, ASPB worked with [IDEO](#) on revenue diversification and strategy, resulting in a series of digital offerings that would be able to generate revenue in order that we could remain resilient in the future. On joining the organization, however, I came to realize that while these changes to our offerings were positive, our primary form of income, publishing, was more than just binding us to a single revenue stream – it was failing to contribute to engaging and growing our community.

For the sake of our relevance, it was important to truly understand who our community was and what would be most valuable to them. Looking at our data, we discovered that although we have 4000 paying members, our community with whom we regularly interacted was closer to 40,000. This resulted in our longer term strategy directed towards engaging these individuals, delivering value in new ways, and becoming an inclusive organization through the technological tools we have at our disposal. What we ultimately created was a model that

engages the community through programs and collaborations which provides opportunities to co-create content, products and experiences together. These are then offered up to the community. In essence, our digital transformation became intertwined with a community-focused model of capacity building, mobilization and sustainability - less about the technology and more about the approach.



For us, **relevance is the most critical component for a resilient organization, and for revenue to increase.** This new paradigm where we partner with our community to increase relevance is a transformation made possible by the broader technological environment within which we all interact. Digital developments that miss this relevance piece are not transformative. Digital transformation demands this intersecting, holistic understanding of our role in order to offer value and meaning to our members' - **and beyond this, our communities'** - lives.

From the Chat: Community First

Thinking beyond membership towards the community you serve helps you to better understand the 'why' behind your projects.

"Focusing on 'community' instead of 'membership' creates expanded opportunities for associations. 'Members' and the related companies that sell to these members is a limited audience for many industries, professions and fields. 'Community' connotes a much broader audience — any individual, organization, or company that is involved in, serves, educates, or does business related to the association's industry, profession and field. **Community is a much bigger tent**, broader and more information-rich to help the association better fulfill its mission."

- Bruce Rosenthal -

"I believe that digital transformation can help you focus on **who you are serving and why you are serving them**. It moves you to get clear on who is really meant to benefit from your products and services (your core customer), how those products and services are being consumed, and the effectiveness of the channels through which you deliver them. Such insights can help you determine what you will create, how you will innovate on behalf of your members, and the ways in which you will make those things available based on their needs."

- Marjorie Anderson -

"I love that a focus on community makes digital transformation more about considering all of the tools at your disposal to address member needs and create the experiences they want. **The term 'digital transformation' puts a lot of emphasis on the tech, but associations need to integrate this without forgetting that our number one 'killer app' is often community.** As much as we should strive to meet the user experience expectations fostered by the design and data utilization of tech giants, and create innovative products and services, most associations aren't built or funded in a way that can go head-to-head. The way we stay relevant in the world of Amazon and Netflix is by offering purpose, growth, and community."

- Nick Marzano -

03

**DIGITAL
TRANSFORMATION
REQUIRES BUY-IN
FROM EVERYONE**

Change will not stick unless the whole organization is on board.

BY MADDIE GRANT

Digital transformation is the current hot topic in the association world, but it has a plethora of different definitions. In preparing for a panel at [SURGE](#), I found a definition I thought was heading in the right direction.

“Digital transformation is the convergence of digital technologies applied to organizational activities, processes, competencies, customer needs data, intelligence and models yielding significant efficiencies, and service and market opportunities for associations and not-for-profits.”

This was a paragraph buried on the landing page of a survey about digital readiness. It’s a very long winded definition, but I liked the fact that it speaks to processes, data, and markets. In my experience working with many associations on what were ostensibly digital transformation projects, they all had these three things in common:

1. An awareness of changing customer needs, their digital habits, and a growing desire to redefine the relationship(s) between the customer/member and the organization [MARKET]
2. The realization that data, gathered through emerging technologies and digital tools, is key to understanding that evolving relationship [DATA]; and
3. The fact that implementing new technologies internally requires changing processes, which requires changing how we work. [PROCESS]

Everyone loves to focus on #1 and #2. Customer experience is the next trendy buzzword. Associations that have shied away from anything remotely resembling the concept of the “sales funnel” in the past are now all over the latest CRM software. And our obsession with data, big data, predictive data... need I say more? So for me, the key to the work that I do around culture change, is #3. *Digital transformation means changing how we work.*

Digital transformation is not something you buy off the shelf.

It's something you do. It's change – it says it right there in the word “transformation”. Transformation does not mean little changes, like having to use Outlook instead of Gmail (maybe for some that's a big change). What we are talking about is Really Big Change. How you build new relationships with your members; how you work internally using different tools *which require new ways of communicating and collaborating and sharing information*. How you do business in the fast-moving digital age.

But we can't truly change how we work without buy-in at all levels of the organization.

Associations often make the mistake of thinking that new technology will immediately solve their problems – once they get over the implementation hurdle – because the buy-in piece is an afterthought. Or, that getting buy-in needs to happen only at the senior management level, and there's an assumption that everyone else will fall in line and start using these new tools because their managers said so. Or, that getting buy-in is all about the “possibilities”, the ideal, the future – the theory about what these new technologies will do for us - and not, in fact, about “what's in it for me” (the employee), right here, right now. People don't hate change. People hate change that doesn't make sense to them, that feels like a waste of time, that is disconnected from the processes and ways of working that have made them successful in the past.

Success is about organizations being able to evolve with the communities and markets they serve (or lead). To get to that success using digital tools, we have to find ways for every individual to understand their role in that evolution. It's not just about one more tool to learn. It's about why this particular system will allow all of us to better understand our members and how each individual employee can help make that happen by participating. Because if everyone does it, the whole system grows and improves and evolves and learns.

And the whole system growing and improving and learning – that's what digital transformation really is about.

From the Chat: Thinking Bigger, Looking Further

We should be considering the wider ecosystem in which we operate when embarking upon transformative projects.

“Way too many organizations choose digital means to provide services to members and customers because it will make it easier and faster for staff. There’s nothing wrong with this as long as it’s also easier and faster for members, customers, and vendors. **It needs to be a joint decision with give and take all around to make the best choice.** If customers, members and vendors aren’t happy then staff won’t be either, and they won’t realize the time savings or find the ease. If we do something that makes customers, members and vendors happy but not staff - we have the same problem. This is true whether the issue is that it’s actually slower or more cumbersome for staff or members, or whether people just don’t understand how to use it.”

- Carolyn B. Thompson -

“When talking about a more meaningful online engagement with its members, associations today need to think more along the lines of big brands. While we are still associations serving members, our delivery of services needs to build a community and loyalty like big brands do. One new term I heard earlier this year that really resonated with me is “Amazonification”. I think this truly describes what associations should aspire to in order to **service their members in a personalized manner, with tailored messages on their products, services, events and volunteer opportunities.** For example, by taking into consideration the past browsing history of the member in question and preferences within member profiles. There are systems out there allowing for this and they are becoming more and more accessible in terms of price.”

- Ksenija Polla -

04

MEASURING SUCCESS: WHY WE SHOULD FOCUS ON CAUSE BEFORE EFFECT

We should think about creating experiences, rather than jumping straight to their desired outcomes.

BY GARTH JORDAN

The measure of a project's success tends to be in the quantifiable effects it produces. We might look to membership numbers or revenue, for example, to assess how successful our particular ventures have been at this level of effect. However, it is not always useful to focus on these final outcomes when implementing a project. **When the project is something more holistic, like a digital transformation, the first line of success we should be focusing on is the experience it offers.** This experience is ultimately causal, prior to more tangible outcomes, but if we concentrate on crafting an excellent member experience, the effects (such as members and revenue) will come.

Focusing on experience is important because ultimately our plans should be constructed around member need. Digital transformation is really about designing a business with a digital core, the digital piece being an enabler of consumers getting what they need, when they need it, with ease and enjoyment. Looking at the evolution of the association model today, we can trace a development from a pre-technology model based primarily on networking and some resource-sharing, towards one in which we try to sell a lot of stuff to the same group of people – over and over and over again. Many of our associations exist within small and specific populations, in which this concept of constant growth just isn't viable long-term: people's pocketbooks are only so big. Revenue diversification has been the mantra amongst many associations for the past thirty years, but while expanding and diversifying our revenue streams will always be important, it does not get to the heart of what our members actually need. **Who needs to be nickel-and-dimed by the organization to which they want to belong?**

Digitally transforming, I believe, means designing member experiences holistically towards what members actually need in their rapidly changing environments. Heretically, perhaps, it's not about revenue diversification and

product line development. Instead, it's about creating one organization that integrates technology platforms, its own business structures (business processes and organizational structures), and a holistic business model meant to serve members *where they are*.

At my organization, we have been swimming slightly upstream to commit to a core philosophy centered on member need. We realized that our association was no longer giving our members nor our not-yet-members what they needed. The only way to provide that for them was to transform: this meant transforming our business model, business structure, and our technology platform. Digital transformation became synonymous with organizational transformation, because technology is deeply implicated in the member experience and in the way we interact with and support them. We have therefore embarked upon a transformative process towards becoming an association that can be there when a member needs us – and when they don't even know that they need us – at every point along their career paths. This transformation has had an integral digital component, requiring significant investment in our technology so as to be able to deliver content, services, products and education as features of membership according to needs that arise along the career journey. It has also meant a move towards an all-inclusive, more subscription-based business model, in which a member can decide what features they want in their membership depending on their position. If a feature is not used, it will be updated or replaced – so this transformation can be a nimble and flexible one, really driven by member need.

Under this new philosophy, success looks a little different.

I believe that a digital transformation like this is successful if members can get exactly what they need – with minimal transactional and financial friction – using our offerings with ease and with enjoyment: it is about their experience with us and with their subscription to the membership. If you can build an easy and enjoyable experience, then your transformation is a successful one. The rest will follow.

From The Chat: Being Strategic

Digital transformation is both implicated in, and has a huge impact on, the way we approach our strategic plans.

“Digital transformation is so fundamental to strategic planning. **We can’t plan for the future without factoring in how the world around us is evolving and today, most of those evolutions are digital.** That’s true whether we’re talking about our members’ behaviors, looking at new ways to foster community, or how to take on the competition. Digital transformation will also drive data-driven decision making, which is essential for strategic planning success.”

- Meena Dayak -

“Technology should be used to enable business units to achieve business strategies. We don’t need to let the industry drive what we need. **We need to think about the strategy we are trying to accomplish** and the technologies that might help us achieve the goal of the strategy.

“There are four objective views to consider in achieving the business strategy:

1. Why do we need to do this? (business view/business strategy)
2. What do we expect from it? (functional view)
3. How do we do it? (technical view) and
4. With what will we do it? (implementation view)

“I always go back to the analogy of building a house. If we don’t have the right tool set, we can’t really build the house properly. You can pound a nail with a screwdriver, but that’s not really the best tool. What you want to understand is: What is it you are trying to build? That will help you understand the tool set you need. Understanding the business model/strategy is the key, as defined in 1 and 2 above, to match technology as in 3 and 4 in meeting the goals of the strategy.

“To enable the business units, we need a collective culture i.e. a collaborative team that simultaneously shares ideas and understands that technology will help lead to the creation of new and unique opportunities. The benefits to the business units are **effectiveness, efficiency, cost saving, on time delivery, and meeting the objectives of the strategy.** We need to put the business and technology pieces together to reach the ultimate business strategy.”

- Nagaraj Reddi -

05

FURTHER RESOURCES

During the live chat, speakers and attendees alike chipped in with their tips for further reading and resources about digital transformation. We've compiled them into a list for you here.

- [Design Thinking resources](#): Stanford Design School
- [Design Thinking resources](#): IDEO U

- [Lean Thinking resources](#): Lean Enterprise Institute

- [Online Courses](#): IDEO U

- [Article](#): Digital is More Than Technology
- [Article](#): You Call it Digital Transformation, I call it Culture Change
- [Article](#): Association 2.0: Digital Transformation and Relevance in the Digital Age
- [Article](#): Design Thinking: Solving Problems in Someone Else's Shoes
- [Article](#): How We Jumped into the Design Thinking Deep-End
- [Article](#): Why We are Creating an Innovation Center

- [Book Chapter](#): When Millennials Take Over: Preparing for the Ridiculously Optimistic Future of Business, Jamie Notter and Maddie Grant

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