2020

ADVANCING BUSINESS-VENTURE INNOVATION: A READINESS TOOL FOR HEALTH ASSOCIATIONS

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RESEARCH. LEADERSHIP. INNOVATION.

Introduction

While associations and their leaders are no strangers to developing traditional nondues revenue initiatives in areas such as meetings, publications, and advertising, C-level executives in healthcare associations see their organizations as needing new revenue sources.

In part, interest in new revenue is driven by the shift to value-based payment and the digital transformation of healthcare delivery that is disrupting traditional models of clinical care and medical practice. One pathway to convert healthcare disruption into opportunity is to accelerate business development with new corporate partnerships, digital business models, and entrepreneurial strategies (see sidebar, "How Healthcare Associations Can Drive Value with Business Innovation," for examples). But how prepared are healthcare associations to venture outside the comfort zone of traditional nondues revenues sources?

Research suggests room for growth. In fact, of eight business-innovation readiness domains used in a recently completed ASAE Research Foundation study, the participating healthcare associations scored at the mature level of business-innovation readiness in only one area: diverse talent, where positive cultures and recognition of the value of diversity drove positive ratings by the participating executives. Membership size, staff size, and annual budget had little bearing on performance scores. The other maturity domains (Table 1, "Association Ventures Business-Innovation Maturity Model: Eight Readiness Domains") were

- Operational agility
- Foresight governance
- Collective purpose
- Digital practices
- Engaged ecosystems
- Empowerment culture
- Catalytic leadership

How Healthcare Associations Can Drive Value with Business Innovation

Healthcare associations can move beyond traditional nondues sources by leveraging existing assets as the basis for new products and services for new customer segments. Those foundational assets for business innovation include three asset categories: trusted brand, quality guidance, and clinical innovations. (See Chart 1, "Potential Business Innovation Services and Products for Association Ventures," for some specific examples of potential ventures.)

Trusted brand: Your association's brand recognition is the basis of market credibility and access to new customers. Being nationally recognized and trusted within your specific healthcare sector is a powerful access channel to health professionals at the front line of diagnosis and treatment. As a leader in professional recognitions of providers and institutions, your association has standing in the professional certification and institutional accreditation sector.

Quality guidance: Many healthcare associations are highly influential leaders in quality guidance. Often associations are champions of health services quality within their disciplines. These associations' research care best practices, set standards for high-quality care outcomes and measures, and serve as hosting organizations for clinical guidelines and data registries.

Clinical innovation: Often, association members are at the forefront of clinical care innovation. As clinical executives in the full range of healthcare organizations and companies, these influential association members are industry thought leaders that can serve as business innovation advisors for association initiatives.

While current association members can be a source of nondues revenue for innovative products and services, healthcare associations have the potential to reach the broader healthcare market of paying customers of association mission-aligned products and services. This broader market of potential customers for nondues revenue services includes nonmember health professionals, healthcare organizations, hospitals, clinics, insurers, government agencies, and emerging digital health companies.

This latter category of startup and fast-growth digital companies offers a promising array of partnerships and customer channels. In a recent report of investor funding of emerging companies, the top five categories of digital company startup investments all match up with innovation assets held by healthcare associations: patient empowerment, health administration workflow, clinical practice workflow, personalized health, and wellness. (2019 Midyear Insights Report. (n.d.). Retrieved from www.startuphealth.com/2019-q2-insights)

chart 1

POTENTIAL BUSINESS INNOVATION SERVICES AND PRODUCTS FOR ASSOCIATION VENTURES

Source: Association Ventures 2020

OPPORTUNITIES	DESCRIPTIONS
Evidence-based order sets, care pathways, and decision support	Evidence-based order sets that direct provider protocols and order behaviors. Ensure decision support review, real-time documentation, and care guidance.
Care coordinator workflows and tools	Comprehensive care coordination toolset including patient registries, documentation tools, patient outreach, risk management, and care follow-up.
Research reporting and support	Documentation and reporting tools to enable and support research for both healthcare provider organizations and associations.
Quality measure reporting	Quality measure reporting tools and drill-down analysis to understand individual patient outcome variances and drive organization process improvement.
Electronic health record/ technology advisory	Guidance and support to the overall technology requirements of healthcare organizations within the scope of individual engagements or speaking engagements and conferences.
Health IT joint ventures	Partnership ventures with health IT firms regarding telemedicine, benefits management, revenue cycle management, patient engagement and connectivity.

table 1

ASSOCIATION VENTURES BUSINESS-INNOVATION MATURITY MODEL: EIGHT READINESS DOMAINS

Source: Association Ventures

Operational Agility	• Criteria, processes, and pathways are in place to generate, prototype, test, develop, and scale new ideas; innovation projects are clear, consistently applied, and useful. • Extensive metrics and risk/opportunity management continually optimize the portfolio of work and revisit investment choices, depending on the life cycle. • Decision making is responsive and agile at all levels, occurring when required, and enabling proactive identification and rapid pursuit of opportunities.
Diverse Talent	• Teams are staffed and supported to harness the power of diverse backgrounds, perspectives, and skills. • The association is actively hiring and supporting staff of different experiences based on country of origin, race, gender, and career path. • People make an effort to understand different perspectives. Top management values employee contributions and visibly supports diversity. • The organization enforces fair employment practices where people in equal roles receive equal pay, and the association has an active anti-discrimination policy.
Foresight Governance	• The association is future-ready when it seeks knowledge of the trends and forces affecting how the organization operates. • Foresight is a point of view that finds the upside of disruption by analyzing the implications, key unknowns, and potential forecast of the key drivers of change that affect an association's members, partners, and other stakeholders. • Specific action strategies of a foresight-led organization include framing, scanning, forecasting, visioning, planning, and acting.
Collective Purpose	• The staff has a robust set of shared values and agree on what's important. • The organization is highly focused on organization mission, often saying no to program ideas that do not fit the mission. • The organization has a clear innovation strategy that is aligned with the overall allocation of resources.
Digital Practices	• Digital initiatives are a core part of the association's operational business strategy with a digital exchange and data platforms fully embedded across the membership value chain. • Digital platforms, tools, and processes are being used to drive the innovation agenda and achieve program targets. • Ideation, tracking, and reporting are all enabled through digital platforms organized around cross-functional project teams to implement digital venture priorities.
Engaged Ecosystems	• The association is adept at setting up constructive strategic external partnerships, continually creating new joint opportunities, extracting value in a way that differentiates it from other organizations. • Program priorities and strategic planning are developed together with external networks, creating accountability for achieving game-changing innovations, which is central to the organization's branding, member value and social impact.
Empowerment Culture	• Staff is empowered to act autonomously, feel responsible for contributing to innovation, comfortable with experimentation, smart risk-taking, and transparency. • The association exhibits a fluid, efficient, and vibrant exchange of ideas and information within the organization and with volunteers, members, and external stakeholders. • Formal and informal leaders are driving innovative behaviors throughout the organization. The organization always looks for creative ways to test ideas, learns from success, and understands how/when failing helps it innovate better versus when risks need to be managed out.
Catalytic Leadership	Leaders throughout the organization • focus on key priorities that inspire others to embrace the development of impactful and financially successful ventures. • provide full access to the resources needed for venture development including flexible funding, dedicated staff, and innovation tools and techniques. • exhibit the insight and courage to maximize the organization's impact to serve members and for the greater good of society.

The study results underscore the genesis and reason for the research, as do key questions asked by healthcare association executives in focus groups conducted during the preparatory phase of the research. Among those: How do I compare to my peers, and what are the root causes and weak links in our organizational capacity to increase nondues revenue? In fact, the greatest value of the research is in the resulting first-generation maturity model and intelligence tool that can be used to identify and begin to address critical operational and leadership areas in need of improvement.

This first report summarizes the research including the foundational logic of the maturity model. Four subsequent readiness reports, followed by virtual briefings and discussions, will delve into the specific domains (two domains per report), offering those who choose to participate the opportunity to self-score their organizations' readiness and deepen their understanding of not only the capacities needed for breakthrough business innovation but also where they might choose to focus their organizations' development efforts. Taken together, this first report and the subsequent installments are intended to provide association leaders an informed mindset and organizational tools to design workable proposals for organizational change and improvement. With a readiness diagnosis in hand, association leaders can focus on correcting the root causes of barriers to business innovation. Thus, we hope that given the knowledge of these tools, association leaders will gain comfort to embrace entrepreneurship ventures as a viable path for business innovation that serves the mission and financial goals of their associations.

Starting in 2018, the ASAE Research Foundation and Association Ventures began a collaborative research project to validate a business-innovation-readiness tool, focusing on healthcare associations to start.

The intent of the proposed readiness gap analysis tool was to enable prospective users to (a) identify specific areas of business-innovation readiness that are strongest and those areas that need improvement (b) measure readiness over time as business-innovation solutions are applied and (c) trigger valuable discussions among staff, board, and other stakeholders on how to achieve new business development success.

In the early phase of planning this research project, the ASAE Research Foundation assembled a series of focus groups of healthcare association leaders to explore perspectives about nondues revenue and business development. Those sessions found that virtually all healthcare association respondents said they do not "have a model" for this work. Business-development innovation was outside their comfortable knowledge base.

More specifically, focus group participants called for essential guidance on how to start up new business-development projects. These leaders asked several critical questions, including the following:

- How does the business-development capacity of my association compare to my industry peers?
- Where are my strongest and weakest link in my association's business-innovation chain?
- What is the root cause of my association's business-innovation weaknesses?

We concluded that the best response to this expressed need for targeted guidance on building business-innovation capacity was to design tools to do the following:

- Provide baseline measurements and benchmarking to benefit individual associations.
- Support additional ethnographic research with associations at different points on the continuum of readiness to yield findings of the most effective innovation strategies.
- Collect data that associations enter into the tool over time to generate longitudinal data for a learning loop of continuous improvement.
- Guide creation of resources as guidance to support targeted initiatives to improve business-development capacity.

Applying Organizational Diagnosis to Business-Innovation Readiness

Before the survey project with ASAE, Association Ventures developed a maturity model of business venture readiness based on a critical review of scholarship in business entrepreneurship, lean innovation, enterprise design thinking, digital platform business models, and social impact research.

Business-innovation research projects from both the for-profit business and nonprofit social entrepreneurship disciplines further informed our model with specific innovation high-performance descriptors. The studies detailed in Table 2, "Research Literature: Sources of Business Innovation High-Performance Descriptors," provided both theoretical models of business innovation and insights on survey research items applicable to the association sector. We also drew elements of our maturity model from our venture startup projects for professional association clients. Extracting insights from the combination of research literature and association client work experience created a basis to frame issues, guide data gathering, and identify organizational conditions.

From the scholarship review and our operational practice experience, we developed a set of high-performance descriptors for each of the eight readiness domains. Common to the discipline of organizational diagnosis, high-performance descriptors can serve as the basis for comparison among a set of study organizations, as documented by Linda Nelson and Frank Burns (1984)[1]. Once we converted the business-innovation maturity model into a survey format, we had the basis for measuring the gap between a current and desired state of high performance in business innovation for an organization. In turn, the comparison of current and high-performance states of readiness can be used to generate directions, goals, and objectives for intervention.

While the comparison to the high-performance standard as the desired state has value, a more focused tool is to define the desired state as the mean scores of a comparative group of peer organizations. Thus, the benefit of distributing a survey instrument to healthcare associations to create a new comparison standard: the mean scores of a peer group. This refined diagnosis can focus on organizational change to the most needed areas for improvement for the specific conditions faced by a healthcare association.

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[1] Nelson, L. Burns, F. (1984) *High-Performance Programming: A Framework for Transforming Organizations.* In J. Adams (Ed) Transforming work (pp. 225-242). Alexandria VA: Miles River Press, describes how organization development practitioners can use a survey instrument to measure an organization's progress toward a performance goal.

table 2

RESEARCH LITERATURE: SOURCES OF BUSINESS INNOVATION HIGH-PERFORMANCE DESCRIPTORS

Source: Association Ventures

Building and Sustaining Innovation in Nonprofits and NGOs	To determine the starting point for nonprofits to build and sustain innovation capacity, the Bridgespan Group, with support from the Rockefeller Foundation, surveyed 145 nonprofit leaders on their organization's ability to innovate and lead positive social impact. Innovation was an urgent imperative for 80 percent of the respondents; however, only 40 percent of the would-be innovators reported that their organizations are up to the task. The research identifies 66 elements for building innovation capacity. Analysis of these elements identified six factors common to nonprofits with a high ability to innovate. Specific insights on high-performance descriptors applicable to association business innovation came from the Bridgespan Group elements on catalytic leadership, unique culture, porous boundaries, and idea pathways. Their central finding was that practical innovation for nonprofits requires committing to a continuous intentional approach to innovation but rarely comes from a masterstroke of genius. Instead, they concluded that meaningful progress against innovation gaps requires systematic exploration, experimentation, and trial and error within a culture of continuous learning. Sahni, Nidhi. Lanzerotti, Laura. Bliss, Amira. Pike, Daniel.(2017) *Is your Nonprofit Built for Sustained Innovation?* Stanford Social Innovation Review
Understanding of a For-Profit Business's Readiness to Innovate	Price Waterhouse Coopers (PWC) developed a self-assessment tool called the Innovation Accelerator first introduced in 2014 to a broad range of industries, including healthcare. Healthcare was among the sectors ranked in the top three, among 12, that reported the highest confidence in their company's innovation capacity. Using a 15-item survey with a scoring scale of 1 to 5, the PWC assessment provided a comparative ranking system for understanding the core strengths and weaknesses within a company's culture and operating model. Their business-innovation model provided high-performance descriptors applicable to our AVI Maturity Model for external network partnerships, cultural and strategic alignment.
Leadership and Management in the Nonprofit Sector	In 2017, several academic units within Stanford University and BoardSource collaborated in a survey of more than 3,000 stakeholders from the nonprofit sectors. These nonprofit executives and staff, board members, and donors provided detailed information about the leadership and management practices of a nonprofit organization with which they are involved. The comprehensive survey generated a model of what a nonprofit organization needs to excel in all areas of nonprofit leadership and management. More than 80 percent of the charitable-purpose organizations reported struggling with a least one of seven fundamental elements of nonprofit leadership capacity proposed by their research. The lead investigators of the project, William F. Meehan III and Kim Starkey Jonker, applied the research to their book, *Engine of Impact: Essentials of Strategic Leadership in the Nonprofit Sector.* High-performance descriptors applicable from the Stanford study to our association business-innovation model came from the strategic leadership elements of mission, insight courage, talent management, and board governance. Meehan, Bill and Jonker, Kimberly. *Stanford Survey on Leadership and Management in the Nonprofit Sector, Stanford GSB Center for Social Innovation,* Stanford Center on Philanthropy and Civil Society, Stanford Social Innovation Review, BoardSource, and GuideStar. November 2017 https://www.gsb.stanford.edu/sites/gsb/files/publication-pdf/survey-leadership-management-nonprofit-sector-2017.pdf (Accessed 5/12/2020.)
Company Readiness to Achieve Effective Innovation	In 2015 Daniel Dworkin and Markus Spiegel, Partners at Schaffer Consulting, developed for readers of *Harvard Business Review* a simple Likert-style readiness survey tool. In their view, successful innovation requires constant energy, creative friction, flexible structures, and purposeful discovery. Because no research data is available on responses to the survey, the model had limited value to our Association Maturity Model, but the survey design did provide insights on the formatting of a simple survey instrument. Dworkin, Daniel, Spiegel, Markus. Assessment: Is Your Company Actually Ready to Innovate? Harvard Business Review Online, November 6, 2015. https://hbr.org/2015/11/assessment-is-your-company-actually-ready-to-innovate (Accessed 5/12/2020.)
Intrapreneurship Capacity Within a Corporate Setting	A research project at Rhodes University examined ways in which intrapreneurship can be measured in organizations to provide a benchmark for further organizational development. This 2003 research publication presents a survey model based on intrapreneurial index data from a sample of 500 organizations. The study survey validation of the intrapreneurial intensity index found that a self-administered instrument survey is useful to ascertain the intensity of intrapreneurship present in a large organization. Specifically, the instrument provides an overall view of organizational intrapreneurial ability and can identify specific areas in the organization that require change or modification to become more intrapreneurial. The core areas of the Rhodes model providing high-performance descriptors for our maturity model come from the intrapreneurial index elements of structural flexibility, incentive policies, and intrapreneurial culture. Hill, Marguerite. (2003). *The development of an instrument to measure intrapreneurship: Entrepreneurship within the corporate setting.* Dissertation. Rhodes University. Pinchot, G. (2000). *Intrapreneuring: why you don't have to leave the corporation to become an entrepreneur.* San Francisco, CA: Berrett-Koehler Publishers.

With a validated tool in hand, the completion of the readiness assessment questionnaire by an interested association would reveal two different gap scores: one gap score against the high-performance descriptor based on the business-innovation maturity model and one gap score based on the desired state of the mean performance score of the peer group of healthcare associations. That way the results provide insights for intervention against two goals: high performance or mean performance of a peer group.

Deployment of the Survey

ASAE staff distributed a survey to leaders of healthcare associations represented in ASAE's membership between May and June 2019 to assess readiness across an array of eight business-innovation domains, related demographic questions about each responding organization, and supplemental questions about general issues of business innovation.

One C-Level executive (CEO or senior vice president) from each of the responding 70 healthcare associations completed the readiness domain and demographic questions. A subset of 51 respondents of the 70 respondents also completed the supplemental survey questions on innovation conditions not reported here.

Respondents were asked to state how their organization was performing against a business-innovation performance descriptor.

Each descriptor was a positive behavioral statement of readiness. Respondents reported their agreement with the descriptor against a five-point Likert scale (5 = strongly agree and 1 = strongly disagree).

Each Likert-scale-scored descriptor had a possible highest score of 5. With five descriptors per domain, the highest possible readiness score for each domain was 25 (5 x 5 = 25). We labeled this value the Domain Readiness Score (DRS). The highest total domain score across all eight domains was 200 (8 x 25 = 200). We labeled this value the Total Domain Readiness Score (TDRS).

The post-survey analysis for each responding association calculated a Total Domain Readiness score (TDRS), which includes the aggregation of the individual Domain Readiness Scores (DRS) of the following eight domains: catalytic leadership, collective purpose, digital practices, diverse talent, empowerment culture, engaged ecosystems, foresight governance, and operational agility.

Cross-tabulation analysis was conducted to evaluate the relationship between Total Domain Readiness Score (TDRS) and the organization's total number of full-time equivalent (FTE) employees, total number of members, current annual budget, 2018 gross revenue, anticipated gross revenue for 2019, and the scope of the organization memberships (global, national, regional, state). Furthermore, an analysis was conducted to understand the relationship between TDRS and an organization's income from sources including membership dues, nondues, and unrelated business income.

Association Demographics: A Limited Relationship to Score

Descriptive statistics regarding the size and scale of the responding associations related to overall business-innovation readiness provided mixed results, with no single element bearing a strong relation to preparedness.

A total domain readiness score (TDRS), the sum of all domain scores, was computed for each respondent association with cross-tabulations with three characteristics: the number of staff full-time equivalents, the total number of members, and the current annual budget. Table 3, "Association of Total Domain Readiness Scores with Organization Size," summarizes the findings.

We found that of the three demographic variables, the variance of TDRS across demographic categories was highest for membership size. On average, organizations with 10,000 to 40,000 members outperformed associations with more than 40,000 members by 15 percentage points. In comparison, the variance between the highest and lowest TDRS for the factors of the budget was six percentage points. However, a relationship of organization size with TDRS was not clear. None of the other organizational characteristics surveyed exhibited any significant pattern or insight, including association type (professional or trade) or member type (academic or clinician) (see Figure 1, "Domain Scores by Association Type"). Additional research is needed to better understand the relationship between association demographic characteristics and business-innovation readiness.

table 3

ASSOCIATION OF TOTAL DOMAIN READINESS SCORES WITH ORGANIZATION SIZE (BUDGET AND MEMBERS)

Source: Association Business Ventures Study, ASAE Research Foundation

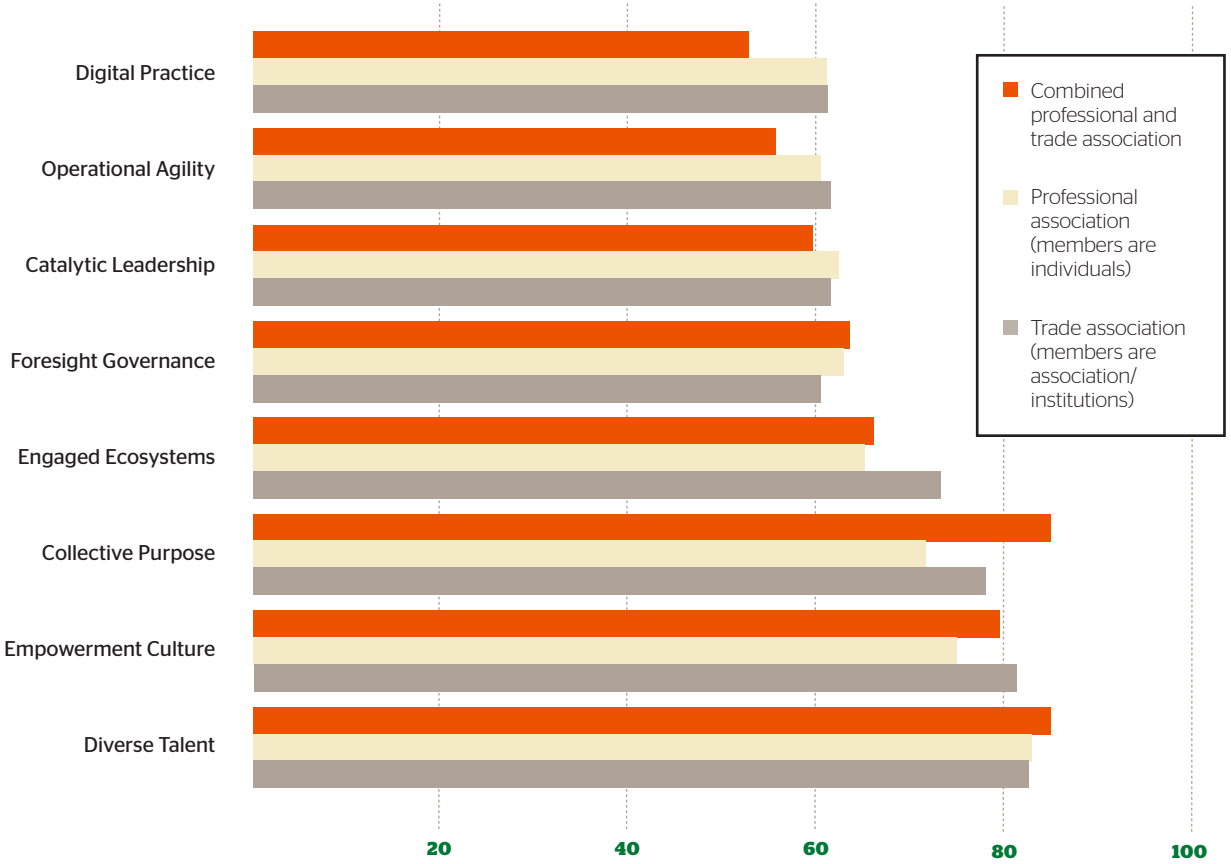
MEMBERSHIP SIZE	PERCENTAGE OF RESPONDENTS	TOTAL DOMAIN READINESS SCORE
10K to 40K	15	73
10K or Less	76	69
More than 40K	9	58

ANNUAL OPERATING BUDGET	PERCENTAGE OF RESPONDENTS	TOTAL DOMAIN READINESS SCORE
$1M to $4.9M	40	70
$5M to $24.9M	20	69
Less than $999K	22	67
More than $25M	18	64

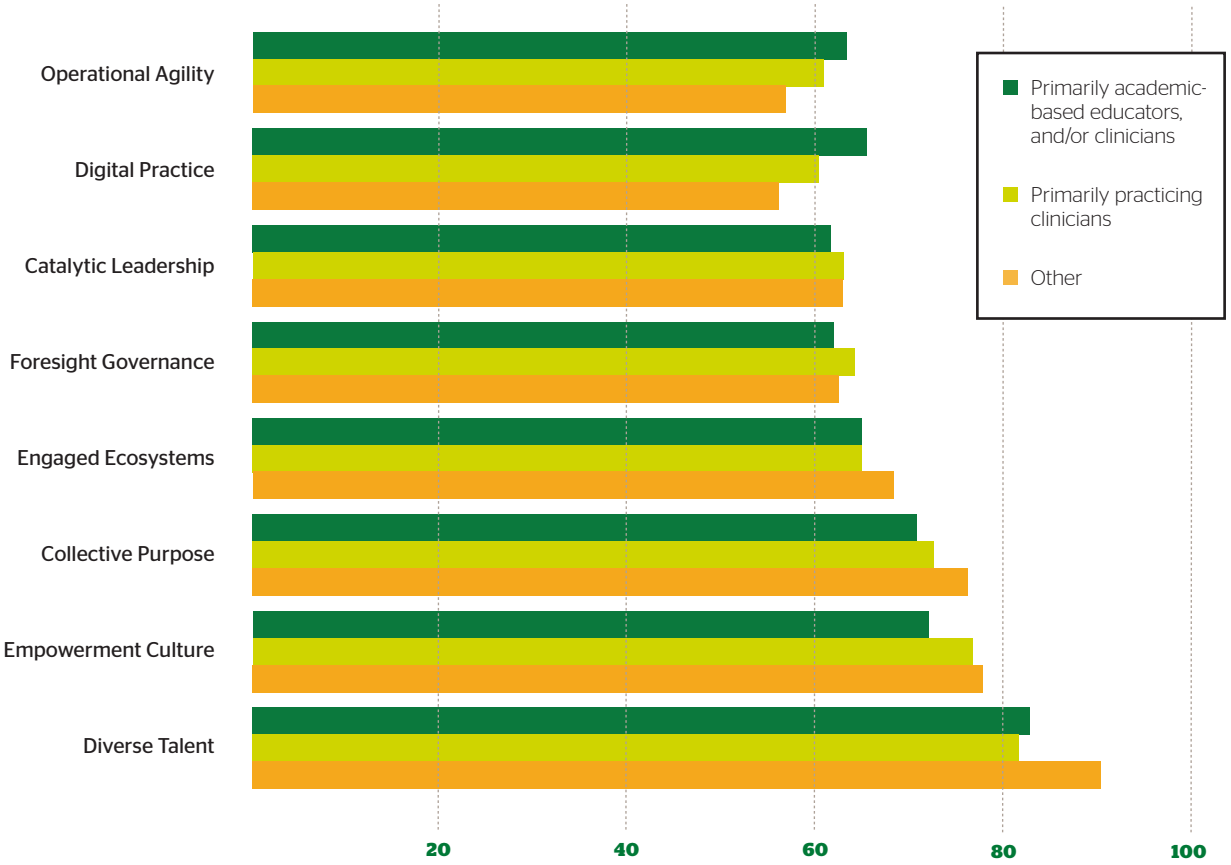
figure 1

DOMAIN SCORES BY ASSOCIATION TYPE

Source: Association Business Ventures Study, ASAE Research Foundation



DOMAIN SCORES BY MEMBER TYPE



The goal in this analysis was to determine readiness levels across eight organizational domains against the standard of high-performance descriptors.

As noted previously, with the 100 percent standard for high performance and the survey mean scores, the basis was created to determine both a domain gap score based against the high-performance descriptor and domain gap score based against the mean performance score of the peer group of healthcare associations. Thus, the diagnostic prioritizes intervention against two goals: achieving high performance of best practice or achieving a mean score standard of your peer group of healthcare associations.

As noted earlier, the domain-specific readiness score was calculated as a percentage of the total score achievable if all five survey items scored at level 5, strongly agree choice. For the sake of comparison, the mean raw score of all responses translates to a percentage of the standard. Thus, the maximum raw score for one domain was 25, so a raw score of 25 would bring to a score of 100 percent; a raw score of 20 translates to a score of 80 percent.

The domain-specific findings appear in Figure 2, "Distribution of Domain Readiness Scores," as the ranking of how the cohort of associations' percentage scores on the survey as compared to its standard of best practices, and Table 4, "Domain Readiness Scores: Key Observations," reports the primary reasons for domain-specific scores as

figure 2

DISTRIBUTION OF DOMAIN READINESS SCORES

Source: Association Business Ventures Study, ASAE Research Foundation

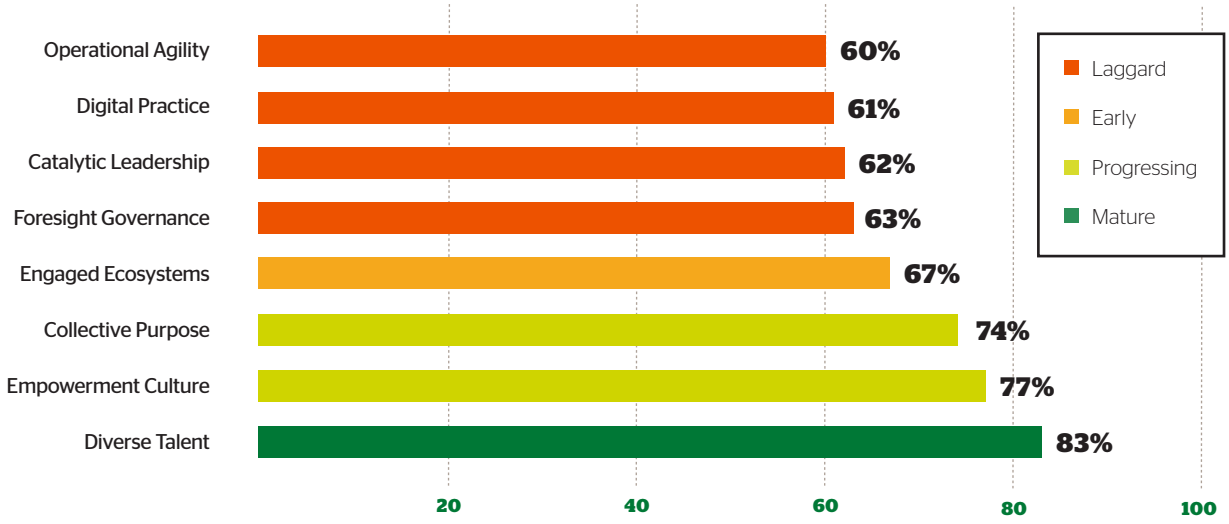


table 4

DOMAIN READINESS SCORES: KEY OBSERVATIONS

Source: Association Business Ventures Study, ASAE Research Foundation

AVI MATURITY MODEL DOMAIN	KEY REASON FOR SCORE
Operational Agility	Lack of process, metrics, and budget linkage to project management
Diverse Talent	Positive culture and recognized value of diversity
Foresight Governance	Lack of attention to disruptive drivers and monitoring assignments
Collective Purpose	Clearly known mission but innovation alignment lacking
Digital Practice	Digital and data platforms not embedded and viewed as a core resource
Engaged Ecosystems	Lack of co-creation of value with external business partners
Empowerment Culture	Constructive internal exchange valued but lack of testing ideas as a path to learning
Catalytic Leadership	External funds lacking for leaders to support innovators

NOTE: For each domain, an item analysis isolated the survey question with the lowest score for each domain, which provided the key reason for lowering the domain score.

determined by a domain item analysis. Only one readiness domain score falls into the mature zone (Diverse Talent) with four domains scoring below the overall mean score of 66 percent (operational agility, digital practices, catalytic leadership, and foresight governance). While this analysis proposes that health-related associations should advance capacity in all eight domains, these four domains may require more attention for most healthcare associations.

While these generalizations about relative maturity for specific domains provide some insights, the primary focus of the research was to create an intelligence tool applicable to a particular association. Thus, these generalized scores create a reference point so that an individual association can make two comparisons: first against the best practice reference score and second against the mean score of the survey respondents reference score. Figure 3, "Hypothetical Gap Analysis," provides an example of how an association's state of business-innovation readiness score can be compared to the best practice standard of the maturity model and the peer reference score generated by this survey. In this example, an association is completing a new survey as a self-assessment tool. The best practice gap is the difference in percentage points between the desired state of 100 points and a new survey domain

figure 3

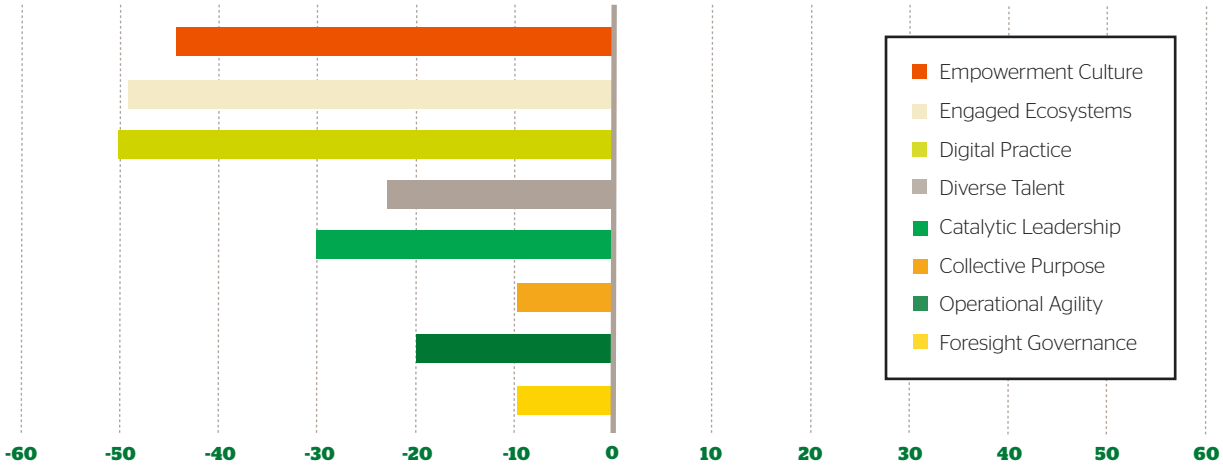
HYPOTHETICAL GAP ANALYSIS

Source: Association Business Ventures Study, ASAE Research Foundation

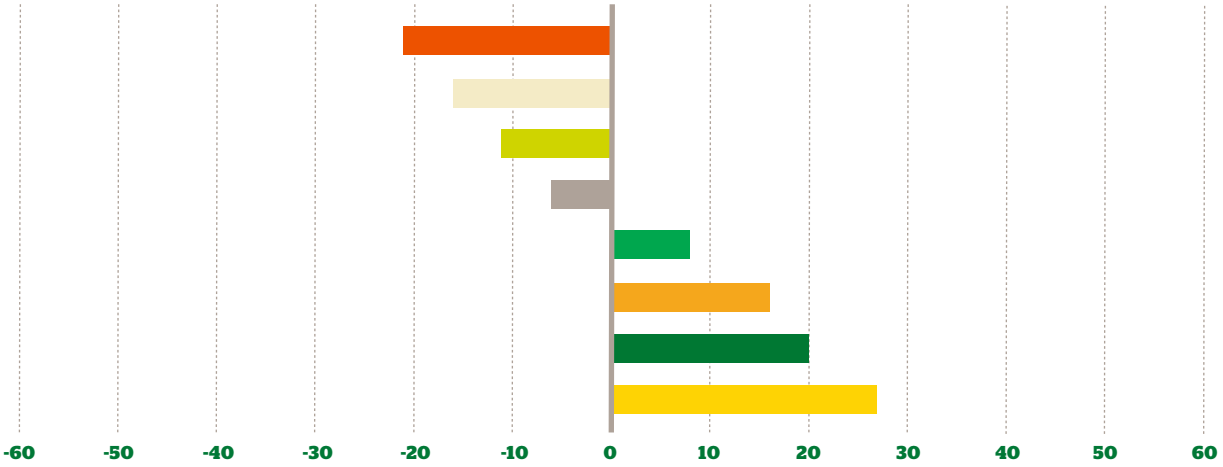
INNOVATION DOMAIN	DIAGNOSTIC SURVEY SCORE	BEST STANDARD	BEST SCORE GAP	PEER MEAN	PEER GAP
Empowerment Culture	56%	100%	-44	77%	-21
Engaged Ecosystems	51%	100%	-49	67%	-16
Digital Practice	50%	100%	-50	61%	-11
Diverse Talent	77%	100%	-23	82%	-5
Catalytic Leadership	70%	100%	-30	62%	8
Collective Purpose	90%	100%	-10	74%	16
Operational Agility	80%	100%	-20	60%	20
Foresight Governance	90%	100%	-10	63%	27

This table is an example of a gap analysis across two dimensions. The score of the user of the diagnostic readiness tool receives a calculation and visualization of the gap between their association's scores on domain readiness against the mean readiness score of the survey data reference group and their domain readiness score against the high performance best score of 100 percent.

GAP ANALYSIS REPORT TO BEST SCORE



GAP ANALYSIS REPORT TO PEERS



readiness score. For Empowerment Culture, the new survey score was 56 percent compared to the 100 percent standard for a negative gap of 44 points. The peer practice gap is the difference in percentage points between the desired state of the healthcare association peer score and the new survey domain readiness score. For Empowerment Culture the respondent score was 56 percent compared to the 77 percent standard of the peer group for a negative gap of 21 points.

This diagnostic gap analysis tool offers two improvement pathways. One path is to focus on the gaps as compared to peers (the top four domains in this example). Next, after bridging the peer-related gaps, the association leaders could turn their focus to fill gaps as compared to high-performance practices. In this example, a peer gap strategy would focus work on the four weakest readiness domains: empowerment culture, engaged ecosystems, digital practice, and diverse talent.

The primary goal in this project was to respond to the expressed interest by healthcare association leaders for guidance on advancing business development and growing nondues revenue.

This project sought to de-risk business innovation by first gauging the organization's current profile of business-innovation readiness. This initial report shares the story of developing a first-generation gap analysis tool that can help diagnose innovation readiness gaps against the standard of the peer group of health-related associations. This tool can also highlight an association's readiness against a high-performance standard of a business-innovation maturity model.

To activate the use of this tool, a series of four research briefs—covering two readiness domains per brief—will be released over the coming months. Each brief will provide additional detail on the research basis of the AVI Maturity Model. Also included will be a five-question self-assessment questionnaire with a decision formula based on the ASAE Research Foundation survey validation mean scores to calculate an association's gap score for each specific readiness domain. Thus, association leaders will obtain a deeper understanding of their organization's business-innovation maturity. The domain gap score will gauge business-innovation readiness against their peer healthcare associations and a gap score in comparison with a maturity model high-performance standard.

Each research brief will also recommend domain-specific change management pathways and operational solutions to elevate business-innovation readiness. With access to this series of domain-specific tools, association leaders will have a first-generation model, with essential guidance, for advancing new business ventures development in this climate of accelerating disruption.

General Resources Used in the Development of the AVI Maturity Model

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