

## The Challenges of Capacity Building in the Aligning Forces for Quality Alliances

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### Summary of Key Findings

- AF4Q alliances must develop the capacity to sustain their efforts over the long term
- Capacity building is the activities and structures that leverage existing resources in pursuit of common objectives
- Capacity building involves challenges and tradeoffs; there is no "one-size-fits-all" approach
- Environmental and market factors, as well as alliance goals, influence strategies for capacity building
- Capacity building is an ongoing process that involves a pattern of learning, reevaluation and readjustment over time

### Introduction

A central component of the Robert Wood Johnson Foundation's Aligning Forces for Quality (AF4Q) initiative is the use of multi-stakeholder alliances to oversee and coordinate regional health care improvement activities. While alliances hold the prospect of accomplishing together what one sector could not do if working alone, the inherent characteristics of alliances present a multitude of challenges related to developing a foundation for ongoing, sustainable effort. Alliances rely on voluntary collaboration rather than hierarchical control. Their authority is derived from the consent of its members rather than from equity ownership or contractual authority. Other challenges include lack of barriers to member exit; organizational culture, differences in time horizons, risk orientation and decision-making styles among member organizations; and, potential conflict between the alliance's goals and those of the members' home organizations (Swain, Bennett, Etkind, & Ransom, 2001). In light of such differences and the ambitious goals of AF4Q programs, the AF4Q alliances must devote effort to developing the capacity of the alliance to sustain its efforts over the long term. Capacity building is more than acquiring a sustainable source of financial resources. It is defined as the activities and structures that leverage existing resources in pursuit of common objective(s) and which are sustainable over the long term.

As part of our evaluation activities, the AF4Q Research and Evaluation Team is investigating capacity building within the AF4Q alliances. The purpose of this research summary is to present our preliminary findings on this topic based on qualitative data collected from interviews conducted with key

### Aligning Forces for Quality

The Robert Wood Johnson Foundation (RWJF) is investing in efforts to improve health systems in 15 communities across the nation.

Called Aligning Forces for Quality (AF4Q), the initiative brings a commitment of resources, expertise and training to turn promising practices into real results at the community level. AF4Q asks the people who get care, give care and pay for care to work together toward common fundamental objectives to lead to better care.

The initiative aims to lift the overall quality of health care, reduce racial and ethnic disparities and provide models for national reform.

It advances three interrelated reforms that experts believe are essential to improving health care quality:

- **Performance measurement and public reporting**
- **Consumer engagement**
- **Quality improvement**

For more information about AF4Q, please visit

<http://www.rwjf.org/qualityquality/af4q/index.jsp>

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stakeholders in four AF4Q alliances that were early entrants to the initiative. We interviewed about 20 stakeholders per site, approximately 6 months after initiation of the AF4Q grant.

Based on the information obtained from our interviews, as well as previous empirical literature on this topic, we focused on two primary domains of activity that form the building blocks for alliance capacity (Zakocs & Guckenburger, 2007). **Infrastructure and Governance** refers to the ability of the alliance to develop internal support and decision-making systems that foster effective member participation, develop leadership, acquire resources and avoid overburdening key members. **Stakeholder Relations and Participation** refers to the relationships between alliance stakeholders that facilitate or inhibit the ability of the alliance to set goals and undertake activities in pursuit of those goals. There is no one best approach for effective capacity building within an alliance. However, there are common challenges and tradeoffs that alliances must consider in deciding which approach best fits their needs and circumstances. These are the focus of this research summary.

### Infrastructure and Governance

#### Establishing the right organizational/governance structure

The structure of the alliance represents the foundation for its activities decision-making, and resource acquisition efforts. In the early stages of alliance formation a key decision for the stakeholders is whether to create a new independent governance structure or to utilize an existing organization. Utilizing the latter approach has many potential advantages including elimination of certain startup activities, efficiencies in resource utilization and the ability to build upon and leverage the reputation of the parent organization. Some of the alliances were existing organizations that decided to take on the AF4Q activities as part of their overall mission. The downsides of this approach include carryover of existing “baggage”, mismatch or conflict between the goals of the existing organization and AF4Q requirements, and potential stakeholder perceptions that the alliance is less than impartial in its dealing with new members. The alternative approach, creating a

new structure, allows the organization to focus exclusively on AF4Q activities and minimizes the “baggage” carryover effect. The downside is that it may take longer to get up and running and forfeits the potential economies of scale that could be realized through expanding an existing organization.

#### Appropriately balancing power and participation

How power is distributed in an alliance can either break down traditional barriers between stakeholders or further reinforce predispositions that have kept them apart in the first place. The alliances we interviewed took two distinct power-sharing strategies. The first group embraced the norm of equality among members and valued leadership neutrality. They selected individuals with few vested interests or pre-specified agendas to hold leadership positions and organized their alliances (i.e., committee structures, bylaws etc.) to facilitate membership equality. The second group of alliances employed an equity approach. Leadership was tied directly to the level of resources contributed to the alliance or the centrality of the organization to the community. While neutral leadership fosters equal voice and representation among members and insures that no one actor or perspective dominates, it has its downsides. First, it may eliminate committed, visionary individuals from leadership positions based on organizational or sectoral affiliation and second, it may deter leadership from making difficult but necessary decisions to move the alliance forward. While the equity approach may be advantageous for acquiring resources

and/or political reasons, it has the potential for causing resentment among certain stakeholders that lean towards the neutral leadership strategy and ultimately erode support for the alliance and its efforts in the long term.

#### Decision-making inclusiveness versus decision-making efficiency

How decisions are made within an alliance, in addition to what decisions are made, is a key lever for marshalling stakeholder interest and participation over the long term. Decision-making within a large and diverse multi-stakeholder group frequently entails considerable time to discuss issues and reach consensus. In the interest of efficiency, alliances often establish a smaller “executive committee” charged with making key policy decisions. The downside of this strategy is the potential for creating the perception that the alliance is more oriented to some stakeholder groups than others (Metzger, Alexander, & Weiner, 2005). Alternatively, a more consensus-based approach necessitates much greater commitment of time to process oriented activities. This places more demands on the alliance leadership and staff and may lead to delays in alliance development. In a related vein, alliance governance must often contend with the trade-off between including organizations or individuals for political versus substantive reasons.

#### Making collateral leadership work

As voluntary organizations, alliances are often vulnerable to low barriers to exit, which impedes their development and growth over the long term. Voluntary alliances often rely on a small coterie of

people to move the alliance forward. One of the downsides of this approach is that too many leadership functions may end up residing with one individual or organization. This may result in a loss of broad-based participation by stakeholders and places the alliance in a vulnerable position in the event of turnover by key leaders. One strategy to avoid this problem is to adopt a collateral leadership model that systematically distributes leadership functions to multiple individuals with specific areas of expertise (Shortell et al., 2002). The risk of pursuing this model is that the efforts of the alliance can become fragmented and uncoordinated. Thus a key challenge in alliance capacity building is to engage leaders from a broad and representative group of committed individuals and, at the same time, maintain focus on the ultimate objectives of the alliance.

#### Defining staff versus member roles

Staff of alliances potentially represent critical resources that drive alliance activity "between meetings" and help coordinate the often complex and interdependent activities of the alliance. Alliances typically face challenges in appropriately balancing the contributions of alliance staff and volunteer members of the alliance. While alliances usually employ at least a limited number of employees to coordinate and execute complex tasks, the downside of over-reliance on staff (in addition to the cost of employment) is that it deprives members of "ownership" in the alliance's activities and may therefore reduce their commitment to the alliance and its activities. On the other hand, alliance members working as volunteers are

subject to time constraints, particularly since they must balance alliance activities with the rest of their professional lives. A key factor in achieving the proper balance between staff and member roles is whether the alliance considers itself to be a facilitating organization or the actual "doer" of work. In our interviews, alliances who characterized themselves as "facilitating" organizations tended to rely heavily on volunteers. These alliances noted that they have less flexibility in the types of initiatives pursued and their approaches to implementing initiatives. This also raised the issue of what activities could realistically be handled by non-paid participants. Finally, an alliance's position on appropriate staffing appeared to be largely dependent on its stage of development. In the early stages of an alliance it may be feasible to rely heavily on the efforts of volunteers, however over time as the level and complexity of tasks increase it is more likely that paid staff will be necessary.

#### Developing resource capacity

A consistent concern for alliances is a lack of financial and staffing resources, which imposes constraints on both program development and sustaining such efforts over the long term. From the perspective of staffing, alliance leaders noted that because AF4Q highlights interventions that are relatively new concepts for their communities, it can be difficult to find individuals with knowledge and skills in these areas. There are notable differences across sites in terms of dependence upon certain types of stakeholders/resources, often driven by the employer base and provider makeup of the

surrounding community. One alliance's early financing efforts were heavily dependent on the automotive industry that provided resources to pursue alternative approaches to initiating projects. By contrast, other alliances that lacked a large employer base focused on hospitals and health systems to fund early efforts. Regardless of source of support, alliances noted the importance of drawing from a diverse stakeholder base to minimize the burden placed on any one organization and reduce vulnerability to changing levels of commitment, as seen in the alliance that was reliant on the auto industry during the current economic downturn. Alliances also face challenges in cultivating non-financial resources. Stakeholders frequently cited the emotional and intellectual investment of individual stakeholders as a key non-financial resource, instrumental in moving alliances forward. While recognizing the importance of such contributions, alliance stakeholders also expressed concerns as to how long such enthusiasm can be maintained.

## Stakeholder Relations and Participation

### Building on cultural and historical relations

Another important capacity building challenge is the establishment of an appropriate culture for multi-stakeholder collaboration that will endure in the face of turnover among individual alliance participants. This often consists of building a foundation of trust and respect among members that have either not interacted with one another, or have interacted while pursuing their organizations' divergent interests

(Nelson, Rashid, Galvin, Essien, & Levine, 1999). Many of the stronger alliance cultures appear to have been established well before formation of the alliance. Participants in these alliances tended to have previous experience working with each other around collaborative, community-oriented endeavors. The existence of personal relationships among alliance leaders was seen as facilitating membership recruitment and reaching early consensus about alliance vision and goals. The downside of this approach is that others may perceive potential biases and/or favoritism. One respondent noted that new leadership opened up opportunities for the development of new relationships unencumbered by the past. Thus, alliance leaders may find themselves confronting a trade-off between leveraging existing relationships and cultivating new ones when pursuing alliance objectives.

### Aligning stakeholder goals

Significant dependence on stakeholders for financial and in-kind contributions over the long term means that alliances must demonstrate value to stakeholders, often in the short term. A related capacity building challenge was the importance of striking a balance between instilling a broadly shared vision for the alliance and consensus among members on long-term goals on one hand, and action on specific initiatives on the other. One potential hazard is that short-term goals, and irrelevant activities or enticing funding opportunities may distract and take the alliance off course. In essence then, the capacity building challenge is to

establish a broad vision for the purpose of anchoring the alliance and a common set of long-term goals while ensuring that there are specific, concrete initiatives that further the alliance towards these broad goals. A related challenge is balancing priorities that stakeholders assign to different goals, and addressing differences in stakeholders' opinions on the methods used to achieve these goals. For example, in one alliance, while there was general agreement on the need to improve quality, stakeholders differed on whether cost savings should be explicitly tied to quality improvement and the best way to achieve this objective.

#### Recruitment of stakeholders

Alliance leaders emphasize the importance of active recruitment strategies and tactics to build, sustain and replenish their organizations. The essence of recruitment is reaching respected organizations with common aims and connecting with key influential persons within these organizations. Ideally this means the CEO or someone "with a clear channel to the CEO" since the representative's position is indicative of the organization's commitment to the alliance. By the same token, who constitutes the "influentials" varies across communities. For example, faith-based or elected officials may be prominent in some communities, but are seen as unimportant in others. Private and public purchasers of health services were typically seen as critical participants but were also the most difficult to recruit and retain. Success in recruiting depends in part in recognizing why

some individuals or organizations may be reluctant to participate and developing strategies to address these concerns. Reasons frequently cited for reluctance to join include: fear of increased demands on their time; concern over meeting financial obligations for membership; competing priorities from their home organization; lack of expected gains, especially in the short term; and concern that the alliance may have explicit aims that are at variance with their own personal or home organization's goals.

#### Sustaining participation

Stakeholders expressed anxiety about the ability to retain alliance members over time, especially given the perceived difficulty of making significant changes in healthcare systems. Most of this concern centered on retaining purchaser participation. Purchasers were seen as wanting change to occur quickly whereas physicians were seen as wanting to move it in a more measured "scientific" manner. In general, there was general recognition that there needs to be a balance between "painting a vision" for long-term success and achieving specific goals in order to retain members and reinforce member enthusiasm. One conclusion is that exploiting the potential benefits of multi-stakeholder involvement only becomes possible when the alliances have matured to the point where competing perspectives are channeled into constructive work and a sense of progress towards common aims emerges. The capacity building challenge in this regard is how to weather the time-consuming initial stages of alliance formation

without putting the enterprise at risk of dissolving. A startup challenge for alliances with representatives from multiple sectors is the development of an even level of understanding or knowledge of the issues and strategies necessary to address complex healthcare issues among the participants. Therefore there must be considerable investment upfront to “bring everyone up to the same speed.” Alliances we studied frequently used board retreats, outside speakers and repetition of the basic messages to establish this common understanding. However these efforts can be frustrating for stakeholders who are more knowledgeable, and in the extreme case, may lead to disillusionment and disengagement.

## Key Takeaways

An awareness of the trade-offs and challenges of capacity building described in this paper may help alliance leaders anticipate and prepare for the challenges ahead. We believe that the ability to anticipate critical decisions is important for coalescing participation of diverse stakeholders and sustaining progress on alliance goals and objectives. While alliances face many common challenges we posit that there is no “one-size-fits-all” approach to capacity building. Environmental and market forces as well as the goals of the alliance significantly influence both the nature of alliances and appropriate strategies for capacity building. We submit that the trade-offs identified in this study provide a framework or a set of alternatives from which practitioners can draw from when addressing challenges unique to their own organizations.

We should also note that the challenges and trade-offs of capacity building are likely to be highly interdependent. Problems in one area may create problems in another, or conversely, strength in one area may provide a foundation for developing another. Our study focused on alliances at relatively early stages of their development; however, our findings suggest the capacity building is an ongoing process that involves a pattern of learning, reevaluation and readjustment over time (Doz & Hamel, 1998). Finally, while development of a sustainable business model and securing monetary resources are critical for alliance success, alliance leaders must also focus on effective management of stakeholder interests and other capacity building issues described in this paper.

This report was prepared by the Aligning Forces for Quality Evaluation Team at Penn State University’s Center for Health Care and Policy Research which is studying the AF4Q initiative to gain insights about community-based reform that can guide health care practice and policy. The AF4Q Evaluation Team presents periodic research summaries on key findings and policy lessons gleaned from its ongoing mixed-method evaluation of the AF4Q program.

***For more information about the AF4Q Evaluation Team -***

***(<http://www.hhdev.psu.edu/CHCPR/alignforce/>)***

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