

Memorandum

To: Andy Falender, Appalachian Mountain Club
From: Bridge-the-Gap Consulting Group (Group 5)
Date: April 4, 2007
Re: Managing Change

Background

The Appalachian Mountain Club (AMC) was formed in 1876. Throughout most of its history, the AMC's organizational structure and programming was highly decentralized. Chapters functioned with relative autonomy and were run entirely by volunteers, and the AMC's "defining tradition" was chapter-based volunteerism activities (i.e., clearing trails, leading trips through the wilds) with AMC programming lacking any distinct and "substantive accomplishments".

As the AMC grew, so did the need to manage the growth. The AMC changed its volunteer-only staffing in the mid-1950's and hired its first paid staff in 1954. By the late 70s through the 80s, the AMC struggled with severe financial management issues. In the late-80s, the board was restructured, bylaws reviewed, and the AMC shifted towards more professional management of its board and staff. A new business-oriented director was hired to lead the AMC through a six-year strategy towards fiscal solvency, environmental education and promotion of stewardship of open lands. Now, in April 1993, the AMC is assessing its accomplishments thus far and mapping its course towards Vision 2000.

Assumptions

- Organizations are not static, but rather ever-changing organisms with multiple influences (Morgan, p. 43). Effective change management must consider and reassess changing external and internal influences.
- Change management is a complex and subtle process. Kotter suggests that organizational change is a slow process wherein skipping parts of the process creates an illusion of expediency with unsatisfying results (Kotter, 2007). While Kotter views change in a rationalist, predictable model and Bridge-the-Gap Consulting takes a more adaptive complex approach to change management, we argue that expediency can oftentimes have significant detrimental effects.
- Kevin Dooley of Arizona State University describes systems as complex and adaptive. He writes that order is emergent as opposed to predetermined, a system's history is irreversible

and a system's future is often unpredictable. Agents scan their environment to develop schema, and schemas are subject to change and evolution.

- Volunteers have strong membership identification, are highly motivated participants and show strong commitment to an organization. When people identify highly with an organization, they are more likely to be focused upon the change processes than on the change outcomes (van Knippenberg, et. al.).

Analysis

Organizational change can be an invigorating but disruptive process that can lead an organization to fail or succeed. Organizational “reengineering” efforts fare a 70% failure rate (Kotter, 2006). The current organizational change process at the AMC is demonstrating early signs of distress. Our analysis is that the AMC change strategy is not adapting to changing internal and environmental influences. The AMC is at a crossroads junction, in which the organization is contending with issues stemming from trying to integrate the dispersed chapters, dealing with inter-group conflict of vision and structural changes between the central AMC top management and the chapters.

At a Crossroads—Inter-group conflict and decentralized authority

The AMC has grown, but the organization is running into problems handling the increased organizational capacity and complexity. Local chapters, accustomed to decentralized authority and investing in their own local interests, are somewhat resistant and resentful of top-down hierarchical forces. Hunasker notes that organizations often need to adapt structure and processes to accommodate organizational changes, but if they fail to do so, they experience negative consequences (Hunasker, 2004). The inter-group dynamics (the behavioral patterns that exist in a group) between chapters and Joy Street are naturally changing, as the AMC expands and requires different methods of managing.

The AMC has a long history of volunteerism and the membership base is currently very strong. Change towards a hierarchical top-down management appears to be excluding chapters and their volunteer membership base. Bolman & Deal assert that organizational success depends on the cooperation of others and without full member buy-in, the role of chapters is unclear (Bolman & Deal, 2003). While integration of chapters has improved, the bottom-up structure of chapters leaves resources underutilized. Lack of individual member support is also a major liability and many members do not feel fully invested in the new Vision 2000. Furthermore, chapters have no clear

authority--volunteers possess an unbalance of power with more authority than some managers, “middle-managers” are overworked and unempowered, and varying interests exist. De Dreu & Van Vianen acknowledge that while gaining cooperation with others is difficult, partial levels of agreement can improve group performance (De Dreu & Van Vianen, 2001). Kotter affirms that without communicating vision to everyone in the organization and without empowerment, the organization could possibly fail in its transformation (Kotter, 1999).

Recommendation – *Hierarchal structure and Communication at AMC*

Knippenberg, Martin, and Tyler (2006) note that role identification is essential to membership in an organization, especially during periods of transition. We recommend for Joy Street to make additional inquiries, regarding the identity of its chapters before making any dramatic changes to the organization’s vision. The vision cannot accurately be stated otherwise.

Establishing transparency and a minimum level of trust is also critical for Joy Street to maintain stability with the chapters. When important decisions are made without communicating intent, it can ultimately result in factional activity and the formation of counter-cultures with negative consequences for organizational outcomes (Kavanagh and Ashkanasy 2006). To avoid further resistance and resentment from the chapters, and to create a more open environment- we recommend that Joy Street share the monthly and quarterly meeting notes with the chapters. Chapters’ concerns, feedback and quarterly reports can then be solicited and represented in meetings at the central organization level in an effort to facilitate a more horizontal structure of communication.

Recognizing that communication is an essential aspect to AMC success in its transformation efforts, investment in technology is therefore *highly* recommended. We advise investing the \$64,000 in a centralized intranet/internet with database capabilities. The *internet* database can serve as a marketing tool to help solicit new members, allowing them to join and pay fees online and keep them informed of organizational activities. The *intranet* will serve as a social networking tool across chapters, a means for the central organization to update and inform the chapters, and vice-versa. As well, it will allow chapters and Joy St. to collaborate on activities. Members will no longer wait for hardcopy newsletters, meetings notes, memos from Joy Street, etc. All this information will be communicated through the *intranet*.

We recommend online surveys to replace “interest cards”- surveys that not only determine members’ recreational activities, but their level of interest in conservation as well as their skill sets.

Reports based on these surveys will be a tool to leverage programs and facilities across AMC by helping Joy Street understand its 55,000 members, for example 1) determine shared skills in advocacy across chapters to organize a peer-to-peer cross training program 2) determine regional training topics and design 3) provide ongoing support through online forums to shared knowledge 4) determine what recreational activities and chapters generate the most funds, etc.

Recommendation - *Continued Central leadership involvement at the chapter level*

We also recommend that professional staff continue to be utilized as resources and serve the chapters by conducting monthly leadership training, and technical training in conservation policies, and research activities until adequate knowledge is transferred to chapter leaders and they are able to conduct training for other members. Although we share your concern that Joy Street staff's existing work will be impacted, investing in quarterly trainings and using this "face time" with the chapters will create a connection to the central organization. We recommend designing these trainings to tie-in to chapters' local interests and needs as they correspond to Vision 2000. The central organization must demonstrate to chapters how recreation and conservation are one in the same. As JP Kotter indicates, "Communication comes in both words and deeds, and the latter are often the most powerful form" (Kotter, 2007).

Robinson (2003) lists a number of funding sources that could aid in the funding of the additional staff and technology that we have advised: 1) Change membership structure, allowing different levels of membership, and providing raised status based on monetary and work commitment 2) Charge admission fees for central events or recreational activities hosted by Joy Street, giving them an additional revenue source 3) Cultivate/solicit members through preexisting members, encouraging friends and family members to join, and 4) Cultivate/solicit donations from pertinent foundations and individuals.

Conclusion

After analyzing the situation that the Appalachian Mountain Club is currently facing, Bridge-the-Gap Consulting Group has set forth recommendations that address the decentralization between the central AMC and the chapters. Establishing transparency, trust, and communication is essential in order to integrate the chapters and central management and create a more open environment. In addition, investing in a centralized intranet/internet with database capabilities, and conducting monthly leadership trainings in conservation policies and research activities allow the AMC to be successful in its transformation efforts. The recommendations seek to integrate the dispersed

chapters and deal with inter-group conflict of vision and structural changes so that the Appalachian Mountain Club can move toward Vision 2000.

References

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