

**Grand Challenges are powerful tools that organizations, thought leaders, and socially active citizens wield to make noble contributions to society and life. Many partners become key players in a collaborative exploration that changes the world for the better.**



Here are some association Grand Challenges in motion today:

- The National Restaurant Association has teamed up with Healthy Dining on the Kids Live Well program to offer healthful options for children.
- The Entomological Society of America is focusing on the mosquito that transmits yellow fever, dengue, chikungunya, and other diseases, bringing together leaders in many fields to figure out how to reduce and sustainably manage the mosquito in the Americas.
- The American Geophysical Union is developing the Thriving Earth Exchange, a platform for bringing together people who need solutions, scientist problem-solvers, and sponsor-funders.
- The American Nurses Association has begun Healthy Nurse, Healthy Nation to measurably improve the health of 3.1 million nurses and by extension their family, friends, community, patients, and the country.

Taking on a Grand Challenge brings seven key returns:

1. *The mission return* – amplifying and scaling your mission, improving impact.
2. *The business return* – growing profitable revenue.
3. *The public sentiment return* – improving public good will.
4. *The stakeholder return* – attracting new stakeholders aligned with your mission.
5. *The engagement return* – providing new activities and attracting next-gen participation.
6. *The relevance return* – increasing your relevance to members and every beneficiary.
7. *The member/customer return* – improving life quality, contributing to a cause.

Grand Challenges are increasingly being used by the private sector to achieve many similar returns. A great example is in the news now:

In September 2014, CVS changed its name in a rebranding effort that made the news of every financial and popular news outlet in the country, garnering media attention that reached a great percentage of their customers who will from now on see CVS Health when they visit any of the 500+ stores dotted across the nation. To fully align with their new image, CVS made a dramatic move: they stopped selling tobacco.

With that one decision, they shifted their public identity one giant step toward becoming a trusted source of health and well being, and an equally giant step away from being seen as a money-drive-all retail outlet. They were gambling on what every Grand Challenger knows: take bold, visible action toward the betterment of humanity and your organization will organically generate forward movement that includes *favorable public sentiment; advantageous new partners and stakeholders; media appearances that underscore your contributions to society;* and of course, *greater financial rewards* in the medium-term in exchange for a bit of cost up front.

Was CVS taking on risk with their decision to stop selling tobacco products? To answer this, let's ask two more questions:

*Question 1: Is the United States increasingly unfriendly to tobacco use?*

Yes. It's been sixteen years since the 1998 Master Settlement Agreement was reached, an accord between the state Attorneys General of forty-six states, five U.S. territories, the District of Columbia, and the five largest tobacco companies in America—focusing on a shift in the advertising, marketing, and promotion of tobacco products. The efforts of this accord have slowed tobacco use in the U.S. and actively raised awareness of its dangers.

According to the Centers for Disease Control and Prevention (CDC), cigarette smoking among American adults dropped to 19 percent of adults in 2011, down from 42.4 percent in 1965. You could safely say that for CVS, tobacco was a revenue

stream going only one direction: down. *Why not put it out of its misery and be the first to get on the right side of that shift,* focusing on products that help the late majority get with the program and kick the habit?

*Question 2: Is this a corporate social responsibility (CSR) publicity stunt?*

Au contraire. Pharmacies have the potential to become high stakes players in the \$2.8 trillion U.S. healthcare industry—that's almost 17 percent of the entire U.S. gross domestic product. What stands in the way? Anything that even vaguely looks like a quarterly earning obsession at the expense of larger social strategy, as is typical of so many publicly held companies. So with their decision, CVS wasn't playing the CSR card. They were changing their identity, becoming a force for the future that major stakeholders of every persuasion will want at the table.

Major players in healthcare trumpeted Target's move, including the President of the United States—some of this key press occurring in the same month that CVS announced its intention. A month later, the attorneys general of 28 states and U.S. territories requested that Walgreens, Rite Aid, Walmart, Kroger, and Safeway remove all tobacco from their stores.

So the answer to the question about whether this is a risky move is both no and yes. No, because CVS is simply inserting itself at the head of a much larger movement, and yes, because they are an early adopter in their space—always a calculated risk. Yet, bold moves garner bold rewards.

CVS demonstrated leadership, the willingness to be first. They did more than create an ark that will beat the flood. They're steering a juggernaut that is taking their organization to another level of scale, extending their impact from the private sector to include, and become embedded in, core elements of the global, social fabric belonging to their beneficiaries.

CVS understands the Grand Challenge. They're using it to move from one space into another—and strong forces are welcoming them as players in a much bigger game. Let's take a look at where they stand on the seven returns:

1. *The mission return* – CVS Health has dramatically expanded its healthcare impact.
2. *The business return* – CVS Health is growing significant, profitable revenue.
3. *The public sentiment return* – CVS is garnering enormous positive press, powerfully boosting public image, and aligning its identity with the national trend toward a tobacco-free culture.
4. *The stakeholder return* – CVS Health has successfully attracted new, powerful stakeholders, including the President of the United States and government leaders across the nation.
5. *The engagement return* – CVS Health is successfully engaging customers who want to quit cigarettes with an inspirational message and practical tools that involve family members and caregivers.
6. *The relevance return* – CVS Health has positioned itself as a player on the frontier of healthcare, doing the right thing for the public.
7. *The member/customer return* – Customers will be healthier, receiving the support and tools they need to live longer and enjoy a higher quality of life, while attributing their life-altering success to CVS Health.

CVS is a great demonstration of how Grand Challenges are a powerful tool for organizations to move their value out beyond traditional customers and into a much wider market. With the Grand Challenge, stakeholders become key partners invested in the organization's future success and mission impact.

For an association this means finding powerful allies and new resources outside the traditional base, and bolstering relevance and growth both inside and outside the membership.

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Seth Kahan has worked with over 100 association leaders on change, innovation, targeted growth, and strategy. He is the founder of AssociationTransformation.com, a community of 50+ CEOs reinventing the association business model. Seth is a designated Thought-leader and Exemplar in Change Leadership by the Society for Advancement of Consulting®. He speaks to 1000s of executives every year on the topics of change and innovation. Seth is the author of the business bestseller, *Getting Change Right*, and the just published, *Getting Innovation Right*.