

## **Dashboard Indicators for Chapter Success**

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### ***Executive Summary from Survey of Component Relations Professionals***

**A car's dashboard contains instruments that signal its performance,  
enabling the driver to know when corrective action is needed.**

**Based on a survey of association executives,  
this report provides a look at a Chapter Dashboard.**

## Introduction

Mariner Management & Marketing asked national association staff to describe and differentiate their successful and un-successful chapters. By answering this question, we hoped to identify the handful of critical variables which determine a chapter’s success and could serve as developmental benchmark when creating new chapters.

Dashboard Indicators provide a tool to signal what is significant so that you can go deeper into the underlying causes. Your car’s dashboard helps you monitor the status of critical functions and allows you to make quick safety/operational decisions. Like your car’s gauges, a Chapter Dashboard Indicator offers a visual signal of chapter’s health and warnings of problems. Once identified, these measures become the areas we want to assess first and monitor regularly – they become our core “watch” list.

With that in mind, we set out to gather information on chapters from associations across a wide spectrum. We asked ASAE staff and members to point us to the associations doing the “best” job in chapter relations or who are trying new or different ideas. Based on conversations with 32 associations (see Survey Respondent Profile and Research Methodology sections), we constructed a tool to use in evaluating and coaching chapters which we call the Dashboard Indicators for Chapter Success. Along the way, we uncovered two challenges for associations (see Additional Findings) that if addressed will strengthen this tool and help associations make better decisions about their chapter relations programs and budgets.

## In this Report

This report outlines the Dashboard Indicators for Chapter Success based on the research, summarizes key findings from the survey, and looks at several trends culled from the conversations and related research. Together these pieces can help associations look at chapter health and their own program from a different perspective.

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## Dashboard Indicators for Chapter Success

Mariner’s goal was to find the successful chapters and discover what “makes or breaks” chapters. Based on our survey, a description of a successful chapter is one with ongoing activity, high energy, satisfied members and a cooperative relationship with the national organization. Most of the terms were loosely defined.

“Ongoing activity” = regular events or communications

“High energy” = leaders and members who were engaged/involved; excitement

“Satisfied members” = few complaints, some compliments from members; relatively stable membership

“Cooperative relationship” = worked well with national staff including completing reports etc., supporting programming, co-marketing events/products/membership, cross-over in leadership

Based on the survey data, “successful” chapters shared 4 critical characteristics:

- Vibrant **leadership** with a clearly defined and operational succession plan
- Supportive **administrative infrastructure**
- High **member involvement**
- Menu of **services** that met member needs

The items then become our Dashboard Indicators – gauges for success.

GAUGE	INDICATOR OF A GOOD POTENTIAL FOR SUCCESS
 <b>Leadership</b>	A core group of volunteers with an identifiable leader <u>and</u> leaders in the wings. The latter is as important as current leaders. Chapter that have the same people in the chairs or who are recycling leaders struggled.
 <b>Administrative Structure</b>	Most described this as a paid staff person working at least half time. But it was the function they performed that became the measure of success. An effective administrative structure establishes and implements appropriate policies and procedures; provides the chapter identity; and assures continuity through leadership changes and time.
 <b>Member Involvement</b>	It’s not the number of members, but that they are actively engaged in the chapter by coming to meetings & events, talking to other members formally and informally, stepping up as presenters or facilitators, participating on committees. Every association we talked to said they had large and small chapters that were successful. And while some have a minimum requirement to start a chapter, they conceded that it wasn’t a magical number.
 <b>Member Services</b>	Many chapter standards call for a set of services, yet when these same associations recounted what made their chapters successful, most named 3 or fewer services that made the difference. Again, it wasn’t the length of the list, but that the chapter served the most important needs. While the list varied, most often noted were networking, training and legislative/public affairs.

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It is important to note that while these four elements were consistent across associations, the values varied. For example, under member services, legislative/public affairs was critical for a number of association, yet of no consequence to others. Successful chapters effectively differentiated between what they could do and what they should do. These descriptions provide detail and direction for you to tailor to your own association.

## Additional Findings

As part of the discovery process, we asked associations

- what outcomes they were looking for from their chapters and their chapters relations program;
- how they measured those outcomes; and
- if they were successful.

We also collected information on what they were doing for the chapters. From this data we formed a picture of their current chapter programs and identified some critical gaps.

### #1: Outcomes without measurable terms

Based on the survey, associations have chapters for three primary reasons: leadership cultivation, membership recruitment and retention, and program delivery. While they could clearly articulate the expectations, 95% of the associations surveyed haven't expressed them in quantifiable terms. Most significantly, they cannot clearly link the achievement of these outcomes to "successful" chapters.

Several associations indicated this would be changing. One said they have a requirement for 25% membership penetration and are implementing an AMS which will allow them to track that.

### #2: Full program costs generally unknown

Only slightly more than half of the respondents had specific budgets for chapter relations, which averaged 2.8% of the association's operating budgets not including salaries and overhead. The remaining respondents reported either their budgets were tied into other departments or their program had no direct costs. They employed an average of 2.1 full-time equivalent employees (which is about one-half the average reported in ASAE's 2001 Policies & Procedures).

### #3: Standard chapter evaluation programs measure activity not desired outcomes

In fact, most existing standards focus on chapter structure and activity. With few exceptions, they do not look at outcomes against stated, measurable goals (e.g., conducted a recruitment campaign vs. recruited [set number] new members). Only half of the respondents have an evaluation program or set of standards for their chapters, and slightly more collect data (59%) in a variety of ways. Though many have evaluation programs, few require reports and less than 10% verify data collected.

Two associations who are making strides in this area are the American Subcontractors Association and the Professional Convention Management Association. ASA's annual chapter report includes questions which ask for recruitment and retention goals and performance against those goals. They provide each chapter with an evaluation report which serves as a tool to check their strengths and weaknesses and to gauge themselves in relation to other ASA chapters. PCMA conducts an annual chapter needs assessment that allows chapters to compare their progress with other chapters as well.

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<b>Evaluation Programs</b>	
Individual Chapter (Mandatory or volunteer)	59%
Chapter Recognition / Awards	48%
Require Reports	16%
Verify Chapter Report	6%
Headquarters (Formal or informal)	52%

### #4: Current spending and effort don't correlate closely with chapter success

We asked associations to rate their chapter program on two levels:

1. Overall, would you characterize your chapters as successful, unsuccessful or mixed?
2. Overall, to what degree do the national staff and local leadership have a working relationship that supports the national association's mission?

The majority of respondents reported the "success" of their chapters as a group as mixed. They rated their overall working relationship with their chapters a bit higher.

The interesting finding is what did and what didn't affect the overall ratings. Two factors correlated directly with high ratings: the membership dues structure and the chapter structure. Associations requiring contingent membership (both local and national membership required) had high ratings. The same was generally true for associations reporting chapters with paid administrative staff.

What didn't correlate with the success rating was the national association's chapter relations budget, number of headquarters staff or level of service provided by the national association. Though associations with the highest chapter expenses reported strong relationships across the board, they didn't necessarily have more successful chapters.

Taken together, these four findings raise critical questions for associations:

*If we are expecting chapters and chapter relations programs to produce leaders, members and programs yet don't set and measure related goals, how do we assure this is happening?*

*If we don't know the full cost of chapter relations program – staff, overhead and direct dollars – how can we practice sound cost control and measure those outlays against outcomes?*

*If we need to cut costs, how do we decide which programs are generating the best results and therefore should be maintained?*

These questions are being asked more frequently based on what respondents reported in terms of resource availability. Nearly ¼ of the respondents noted they had fewer resources available either through budgets cuts, staff cuts or re-organizations that shifted priorities. The remaining reported flat budgets. Only three indicated new project development focused solely on their chapters. There is no argument that successful chapters can be an asset, but to accept this in absence measurable goals or appropriate tracking spells trouble.

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One additional point worthy of note: most chapter standards and evaluation programs are designed by the national office with limited input from the chapters. Are we missing a valuable viewpoint?

### Trends to Watch

In our conversations, several trends also emerged. These may not be a surprise to the association industry, but they shouldn't be ignored either.

#### **TREND #1:**

**Associations are seeing an increase in the number of weak chapters.** There are fewer and fewer volunteers willing and able to run the chapters. Finding solutions to help ease the burden of running chapters is critical. These can be a diverse as developing alternatives to the traditional chapter like AWC with its alliance model or building web-base systems that automate chapter functions like National Association of Catering Executives or the Association for Investment Management and Research or providing association management services.

A couple of national associations have ventured down the path of becoming an AMC for their chapters – with mixed results. Several others actively help chapters find AMCs or chapter administrators to serve their needs. One association is working to develop a model where they would designate or endorse a specific AMC for the association – basically adapting the outsourcing model to chapter services.

Several associations in the survey have looked specifically at the issue of chapter structure. Two provide association management services for a fee; a number provide web-based data management and website solutions. We found one association, The Association of Women in Communication (AWC), which has launched a different strategy focused on changing the chapter model. Their program gives chapters an option to take on a less structured model called an Alliance. An Alliance has considerable autonomy to structure an organization that works for a particular area. AWC asked the question what's going to create value at local level that's different from national offers yet compliments national programs.

#### **TREND #2:**

**Tightening components budgets will reduce staff, travel and even eliminate some leadership meetings all which will lessen the 1:1 contact so necessary to building strong relationships.**

Associations will need to find alternatives to keep the relationship strong. It may mean tapping national board members to carry more of the load, or putting your dollars into different programs. The Financial Planners Association developed a new leadership system using a “train the trainer” approach. They invested in training for key volunteers who are now taking the program to other chapters.

#### **TREND #3:**

**There is a noticeable shift in stand-alone leadership conferences as a centerpiece in the association's component services.** While 75% said they still sponsor some type of leadership meeting, across the board they cited changes. Some are reducing their meetings in terms of programming or length; others are or have merged the leadership meetings into other association meetings. Three eliminated the stand-alone meeting all together citing the cost couldn't be justified. This is understandable since associations are also reporting fewer attendees, and only 18% of the respondents indicated they drew more than 60% of their chapters.

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Some associations are replacing – or augmenting the traditional meeting – with web-based training and teleconferences. The Society for Plastics Engineering offers both an on-line training module and an in-depth full-day workshop for a chapter by request at no cost.

### **TREND #4:**

***The components relations department will be largely a virtual department in the future.*** Nearly every association we talked to has already converted their primary leadership communication vehicle to an electronic format, and most have placed their chapter resources on their websites. Additionally, many are responding to chapter's administrative needs by developing web portals that allow chapters access to mailing lists, member lists, e-mail blast service, event planning, registration services and more. As mentioned above, several have launched web-based leadership training programs. One association indicated they built up their chapter resource section and then reduced staff and budget.

### **TREND #5:**

***Associations will hold chapter relations programs accountable.***

With dwindling dollars and more to do than time to do it, associations will have to pick and choose projects. There was a distinct difference in the conversations we had with the CEO vs. the chapter relations staff. We heard the CEO asking more questions about the value of the program and in general questioning the budget. At least three associations we talked to are exploring ways to calculate the ROI (return on investment) for their chapter program – their stories will be the ones we want to listen to and learn from. Additionally, ASAE in response to requests has added several key questions to their 2003 P&P survey that will begin to help associations answer the question and compare against each other.

## Summary

With the absence of rigorous evaluation, the Dashboard Indicators for Chapter Success does pass two tests. First, the survey respondents based their assessments on their best performers. Secondly, these Dashboard Indicators do track with what are generally considered the key elements of success in the business world: good leadership and good execution. Chapter relations programs must carry their weight and contribute to the bottom line at some point. Minimally, we have to apply our time where it will give us the biggest bang for the buck. By using the Dashboard Indicators, you can target your time and resources more effectively.

We suggest that the results of this project include a number of questions for all associations:

- √ What are the specific outcomes you expect of your chapter relations program?
- √ How do you measure those outcomes?
- √ What is the full cost of your chapter relations program?
- √ Is there a direct relationship between the performance standards you have defined for your chapters and the outcomes you want from your chapter relations program?
- √ To what extent do the performance standards you have defined for your chapters match those the chapters have defined for themselves?

Watch for – and complete – the next ASAE P&P survey particularly the section on component relations because it will help your association and the industry to develop an ROI for component relations.

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### A Statistical Snapshot

Here is a summary of the characteristics of the survey sample as related to organizational structure and chapter services provided by the national organization to its chapters.

Chapter Relations Program	
Department	77% include chapter relations in another department, most often membership; 2 operate separate in-house association management companies/departments
Program Staffing	Ave. 2.1 FTE serving chapters
Chapter Relations Budget	Ave. 2.98% of assn. budget (excl. staff / overhead)
Chapters Served	Mean No. of Chapter = 50 (range from 6 to 211 chapters)

Chapter Services Provided by National	
<b>Governance/Organizational</b>	
Chapter Operations Manual	56%
Sample bylaws etc.	75%
Job descriptions	56%
<b>Marketing</b>	
Brochures/letters	56%
Sample Press releases	19%
Mailing labels	63%
Mailing services (mail/email/fa1)	28%
Joint mailings	38%
<b>Leadership</b>	
Training	75%
List-serv	25%
Newsletter for leadership	50%
Web resources	84%
<b>Administrative Services</b>	
Dues collection	56%
Data management	38%
Meeting logistics and set-up	16%
Leadership	9%
Chapter Newsletter/website	34%
Webpage on national site	25%
Paid speaker/programming	6%

Organizational Profile	
<b>Structure</b>	
Fed	16%
Combination	39%
Independent	45%
<b>Incorporation</b>	
Through National	16%
Separately	84%
<b>Tax Status</b>	
Group Tax Exemption	39%
Files Separately	61%
<b>Membership Structure</b>	
Contingent	60%
Reciprocal	37%
<b>Who Collects the Dues</b>	
National for both	61%
Local for both	11%
Separately	29%
<b>Chapter Structure</b>	
All Volunteer Only	34%
All w/ Paid Support	9%
Mixed Paid & Volunteer	56%
If mixed, % w/ paid support	41%

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## Methodology

We asked ASAE staff and members to point us to the associations doing the best job in chapter relations or who are trying new or different ideas. We also reviewed existing survey and industry information including 2001 ASAE Policies and Procedures in Association Management. Narrowing our focus to chapters and geographically-affiliated organizations, we ultimately conducted phone surveys with 32 associations which represented professional and trade associations; federations, conglomerates, and independents; large and small based on number of employees; and budgets ranging under \$1 million to \$15 million.

The survey questions focused on:

1. What the association was doing for its components;
2. How they measured success for their efforts;
3. What was their return on investment; and
4. What were the defining characteristics of their successful groups.

We collected many successful program ideas and found a number of well-constructed chapter resource sections on association websites. This report summarizes what we found out and offers some food for thought for all associations.

## Report / Survey Authors

The survey and report were completed by Peggy Hoffman, president, Mariner Management & Marketing, LLC, an association management company with a special interest and expertise in components relations. Mariner partners, Peggy Hoffman and Peter Houstle, have a combined more than 40 years experience in association management. Peggy is active in ASAE, has contributed to ASAE magazine and e-letters, and been a speaker for ASAE, PRSA and various other organizations. She is a graduate of the association management curriculum of the Institute for Organization Management at Notre Dame.

Visit our web site for resources for chapters and associations at [www.MarinerManagement.com](http://www.MarinerManagement.com)

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