Beverly Lynch via FIAE <fiae@listserve.com> 4/10/2019 2:47 PM

FIAE's April 2019 Newsletter

To fiae@listserve.com <fiae@listserve.com>

April 2019

Mark your calendar and plan to join us....

November 11-13, 2019

The Ballantyne Resort

Charlotte, North Carolina

FEATURING EXCITING KEYNOTE PRESENTATIONS

Including....

William Pawlucy from Association Options

nationally recognized association management expert ....

Learning to Let Go

The stress that comes from being responsible and accountable for performance can hinder success and job satisfaction. Delegation gives others a greater stake in organizational outcomes and can increase productivity. Explore strategies for empowering others to assume more responsibility and make your life easier!

AND he will join the Tuesday State Executive Roundtable for his exclusive presentation....

Key Performance Indicators Point to Performance Excellence

Promotion and Registration Coming Soon!

REGISTER TODAY!

FIAE Webinar Series: Friday, April 12, 2019 @ 1 pm EST

The Association EMPLOYER Health Plan Option™: Discover how the #1 employer concern may become your #1 non-dues revenue source!

TO REGISTER and PARTICIPATE, go to: https://attendee.gotowebinar.com/register/5993008371553017612

After registering, you will receive a confirmation email containing information about joining the webinar. (Make sure you enter the audio PIN# provided after you log in if you want to be "unmuted" and speak during the webinar.)

Presenter: Verlyn Hahn, CFP (30+ year financial industry executive) and implementation team members

Be a hero for your member employers AND receive Association revenue! Do your employers struggle with the increasing costs of healthcare? Discover the proprietary system and how other Associations are already creating a stream of recurring non-dues revenue, while helping their member employers (of all sizes) lower healthcare costs and gain more control. Participate and see the benefits of this process. Explore the simplified steps to quickly, easily, and seamlessly implement the guided turnkey system.

Enjoy this article by Bill on using gap analysis in your association....

Gap Analysis Improves Associations

Bill Pawlucy, CAE

The dictionary defines a gap as an incomplete or deficient area. A gap analysis is what organizations conducts to identify these incomplete or deficient areas in order to move from its current state to its ideal and desired, future state.

Every nonprofit can benefit from a gap analysis annually, and in conjunction with reviewing its strategic plan. So, how do you perform a gap analysis while integrating it into your organization's strategic plan?

One of the essential ingredients in any gap analysis is to identify its current performance against a future target. In order to do this, every organization should set its targets at least one year in advance but more importantly, 3-5-years out based upon its strategic plan. This will then allow an organization to benchmark itself against its current performance and key targets set.

The following are the 5 steps to conducting an effective gap analysis in your organization:

1. **Review Where You Are** - Before beginning any gap analysis, review your current state. How many attendees do we have at each of our meetings? What is our current membership retention level? What is our current net assets balance? What is our member value score?

2. **Determine Where You Want to Be** - The next step is reviewing where your organization wants to be. This is centrally tied to the strategic plan. The plan should define, over a 3-5-year period, the future state of the organization. In this plan, a defined set of performance measures should have been identified and progress measured against those outcomes. Read this related article on performance measures.

3. **Identify the Gaps** - Identifying the gaps is easy if you established performance measures. Here are some examples of measuring the gaps.

    1.

        1. Conference Attendance: Actual attendance - 2,000, strategic plan performance measure - 2,500 indicates a gap of 500 attendees or 25% below what was projected.
        2. Membership Retention: Total membership beginning 2018 - 10,000, total membership ending 2018 - 8,000, indicating an 80% retention level. Performance measure in strategic plan indicated a 90% retention level showing a 10% gap in retention.
        3. Net Assets: Total net assets beginning 2018 of $1,000,000, total net assets ending 2018 of $1,200,000 or a 20% increase. The performance measure set in the strategic plan was a 40% increase in net assets, indicating a 20% gap.

4. **Identify the Issues** - Previously, we identified the key gaps in performance. The next step is to identify the root cause of the issues. The organization needs to know the "why" of what is occurring in order to fix it. In looking at the examples, previously, here are some issues identified by other organizations.

    1. Conference Attendance Drop: In this example, we identified a 25% drop in conference attendance from prior years. In examining this further, there were several factors.

i. Location - The conference was not centrally located to the airport and required a 1-hour shuttle or drive to the location.

ii. Competition - A competing for-profit company organized an event one-day prior to the organization's conference, which drew attendees away from the association's event.

iii. Price - The price of the conference increased significantly and without a compelling rise in its value proposition. This price increase decreased attendance significantly.

2. Membership Retention: In the previous example, we identified a 10% decrease in membership retention. In examining this further, there were several factors.

i. Value Proposition - The overall value proposition dropped as identified in the organization's member value survey. It was a marked drop and had a huge impact on retention. Members did not feel as though the programs and services matched the dues they were paying.

ii. Competition - A competing organization lowered its membership dues and substantially improved its own programs. This led to many more members of the association moving to the competing organization as the perception of value was higher for a lower price.

3. Net Assets: The last example we provided was around net assets and not quite meeting the performance measure set. Specifically, a 20% gap. There are several reasons that this occurs.

i. Performance of Programs - The organization showed a conference drop that typically contributes a higher net income.

ii. Membership - Membership also declined, which had a negative impact on its net assets.

5. **Fix the Problems** - As you can see, many of the issues this organization faced was from diminishing relevance. It is like a disease that slowly eats away at the organization. It slowly eats away at membership, net income, and net assets. Stopping the progression of the disease should be the first priority. Here are some considerations.

1.

1. Impact & Effort: Evaluate all of your programs against the impact they have to your members. Every program should be evaluated against the impact it has and the effort the program takes from staff. Map this out on a matrix and start to either re-purpose or eliminating high effort, low impact programs.
2. Return on Mission: Another way to evaluate these issues is to determine each program's return on mission. Review the mission and see how each program serves the mission. If it doesn't, should it remain? Read the article on Assessing you Mission Impact Factor.
3. Competitive Analysis: Competition is a fact of life and the more successful your organization is, the more it opens itself up to competition. Know your competition well and understand what makes them better and determine how your organization can maintain its relevance.
4. Relevance: You have heard it before, "we have been doing it the same way for the last 30 years and have been successful, why should we change anything?" Read this article, Relevance and value: Focusing the board on what matters most
5. Self-Inflicted Competition: Sometimes an organization creates its own self-inflicted competition. Too many programs, too many events, too many conflicting priorities. There is an urgency to fix issues when an organization is losing money by adding more events to offset the revenues lost. This typically cannibalizes other programs, dilutes staff focus, and ultimately, decreases the value of all programs.

A gap analysis allows any organization to assess its greatest impact on relevance, value, and return on mission. Apply the 5 steps to identify and fix your gaps.

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Note: Bill Pawlucy, MPA, CAE, IOM, develops resources and provides focused services for nonprofit organizations through www.AssociationOptions.com

Webinar Ideas?   Newsletter Article Submissions?

Send them our way!

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