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Measure Association Success

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No country has more nonprofit organizations than the USA: 1.5 million, nearly 150,000 associations and 7,000 chambers of commerce.

Around the world, when others hear about the size of the nonprofit sector, someone always asks, "With so many organizations, do they have an impact?"

Significant Impact

I often remind associations of their influence. Frequently they are focused only on getting their daily work completed. The newsletter is on deadline, an important meeting is approaching, and the phones are ringing.

Associations accomplish so much more. Many are responsible for the success of their members who are providing jobs. Standards of excellence are being set and enforced. The economy is improved by associations and chambers. And quality of life is enhanced by their efforts.

Georgian Heritage Crafts Association

One person who made me realize the impact of associations is the executive director of the Georgian Heritage Crafts Association at a meeting in Tbilisi.

The majority of the GHCA members are small enterprises owned by women. Dues are under \$5 a year. The association provides significant benefits, including legal help to protect designs and platforms to support member sales.

GHCA's mission is to safeguard heritage crafts, traditions and works. They do this by overcoming challenges through the creation of a network platform for individuals, craftspeople, organizations and guilds, which care about the loss of traditional crafts skills.

When the executive asked, "How do you measure association impact?" I shied away from the usual metrics of members, budget and committees. Her association was improving lives, families and society.

I said, "By encouraging and serving a small enterprise you have an impact on quality of life and the well-being of families. You are providing jobs as they add new employees.

Confidence is built and local communities enhanced.” No numeric metrics can match the outcomes GHCA has on lives.

GDP for Associations

What are the indicators to measure association success? When Bob asked the executives of business associations in the Republic of Georgia there were different opinions.

Some linked it to the number of members. Others shared the impact of their education and attendance numbers. Still others described their package of member benefits.

There is no right or wrong answer. The question on measuring performance reminds me of a presentation by Jeffrey Sachs in Georgia earlier this year.

Sachs is an American economist, academic, public policy analyst and former director of The Earth Institute at Columbia University, where he holds the title of University Professor.

I was surprised with his answer to, “How do you determine development level of a country?” We thought he would talk about GDP and other economic factors. Rather than sharing statistics such as the gross domestic product, his answer was more interesting.

He said, “When I look at a country, I do not even refer to GDP. I prefer to measure quality and access to education, then I gauge the happiness index and finally I consider environment.”

There is something we should learn from the professor that can apply to associations. Rather than metrics that are linked to budget and numbers, we should broaden our perspectives.

For example, when Bob Harris, CAE, invited us to write our vision, mission and goals, my colleague Salome and I were a bit modest in defining the vision statement. We may have felt trapped by the nonprofit sector mindset.

When Bob saw our input he said, “You should think higher. Your vision supports members of the Human Resource Professionals Association, but it improves the economy of Georgia. Be bold and restate the vision as this: Championing HR to improve business prosperity and the economy in the Republic of Georgia.”

My colleague and I looked at each other with surprise, realizing indeed the HR Professionals Association supports business success and an improved economy in our country. It was a moment of empowerment.

We were so excited that could not wait to communicate this to the board of directors. We are no longer targeting just HR indicators; we are thinking much bigger than this!

We realized at the training sponsored by the Center for International Private Enterprise (CIPE) that there is no single indicator such as GDP to measure association success. However, we can be like Professor Sachs and know that the results of our work benefits an entire country.

In summary, we should see our associations for the greater impact they have. Like the Georgia Heritage Crafts Association with only \$5 annual dues, they are improving lives and communities.

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Note: Bob Harris, CAE, provide free governance tips and templates at www.nonprofitcenter.com. Nana Berdzenishvili is the lead strategist at the Human Resource Professionals Association, Republic of Georgia and Independent Consultant in Organizational Development and Stakeholder Engagement. At GHCA, Ana Shanshiashvili is the Creative Director.



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