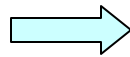


National Education Knowledge Industry Association

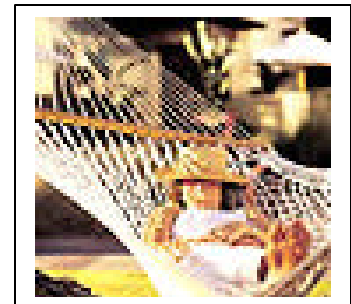
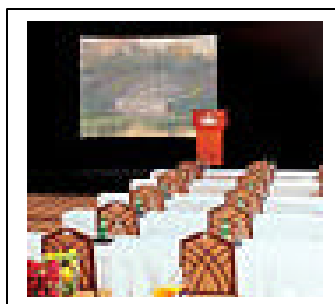
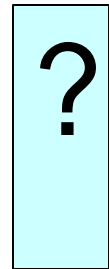
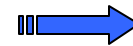
*Retreat to the Future
Creating a Vision for NEKIA in 2009 and Beyond*

**Retreat and Board Meeting
February 15-17, 2006**

February 2006						
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February 2009						
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**Renaissance Scottsdale Resort 6160 North Scottsdale Road
Scottsdale, AZ 480-991-1414**

http://marriott.com/property/abouthotel/default/phxsr?WT_Ref=mi_left

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• Membership Benefits, Potential Services, and Models	

National Education Knowledge Industry Association

1718 Connecticut Avenue, NW Suite 700
Washington, DC 20009
(202) 518-0847

February 8, 2006

Dear Members of the Board of Directors,

We look forward to seeing all of you at our retreat and Board meeting in Scottsdale February 15-17, 2006. We anticipate a productive and expansive gathering as we create a vision for what NEKIA should and could be three years from now and beyond.

This retreat comes at an opportune and dynamic time for the trade association. Over the past four years we have followed a deliberate path of growth and diversification in our membership and in our portfolio of services. As the market place has changed so have our members and so have we as a trade association. Based upon the end of the year evaluations of the past four years, our current “boutique” model of a trade association has served us well. We have been able to fulfill most of our government relations goals in a particularly unfriendly environment. We have launched a whole initiative in business development that has provided supplemental support to your entrepreneurial efforts. We have created a new brand and niche for our mission through the knowledge use initiative including a new piece of legislation. Through our collective outreach efforts we have forged new and important relationships in Congress, at the Department of Education, in the media, and with the various education interest groups. In total, we have been able to re-define and transform NEKIA in new and vital ways while achieving significant successes.

In as much as we should all feel a collective sense of pride in how we have moved forward together over these years, we can not afford to rest on our successes. There is so much more to do in shaping the industry and the market place in ways that benefit us all both as individual agencies and as a united group. And now is the time to take stock, think creatively about our common future, and perhaps modify and restructure our course.

We are so pleased to have a very fine facilitator, Jane Pettit, to guide us through the retreat portion of our time together. We will follow her lead in a series of stimulating and thought-provoking exercises designed to bring us to a point of creating a vision and action plan for NEKIA three to five years hence. We have also reserved time for a formal board meeting during which we will address some of the outstanding issues related to our FY 2006 work plan and membership structure.

It will be a full time together with much to discuss and act upon. And, as always we look forward to breaking bread, raising a glass, and talking with all of you at what promises to be another important meeting. Until then,

Carol Thomas
2006 Board Chair

Jim Kohlmoos
President

Logistics and Participants

Dress: Casual and Comfortable

Wednesday, February 15th

5:30 p.m.-9:00 p.m. Reception and Orientation Dinner
Location: Ballroom 2

Thursday, February 16th

7:00-8:00 a.m. Breakfast
8:00a.m.-4:00 pm Retreat with working lunch
Location: Ballroom 3

6:30 p.m. Dinner (no formal business)
Restaurant TBA

Friday, February 17th

7:00-8:00 a.m. Breakfast
8:00-11:30 a.m. Retreat
Noon - 4:00 p.m. Board Meeting with working lunch
4:00-6:00 p.m. Executive Committee Meeting
Location: Ballroom 3

Participant	Organization	Address	City/State/Zip
Doris Redfield	Edvantia	PO Box 1348	Charleston, WV 25325
Joan L. Herman	CRESST	GSE&IS Bldg. Box 951522	Los Angeles, CA 90095-1522
Gina Burkhardt	Learning Point Associates	1120 East Diehl Road, Suite 200	Naperville, IL 60563
Paul Kimmelman	Learning Point Associates	1120 East Diehl Road, Suite 200	Naperville, IL 60563
Tom Barlow	Pacific Resources for Education and Learning	900 Fort Street Mall, Suite 1300	Honolulu, HI 96813
Wesley A. Hoover	Southwest Educational Development Laboratory	211 E. Seventh St.	Austin, TX 78701-3281
Ludy van Broekhuizen	SERVE, Inc.	Post Office Box 5367	Greensboro, NC 27435
Glen Harvey	WestEd	730 Harrison St.	San Francisco, CA 94107
Max McConkey	WestEd	622 North Country Club Road, Ste. E	Tucson, AZ 85716
Christine Dwyer	RMC Research Corporation	1000 Market Street	Portsmouth, NH 03801- 3358
Bernice Stafford	Plato Learning, Inc.	6020 Cornerstone Court West, Suite 300	San Diego, CA 92121
Carol Thomas	Northwest Regional Educational Laboratory	101 SW Main Street, Suite 500	Portland, OR 97204
Steve Fleischman	American Institutes for Research	1000 Thomas Jefferson Street, NW	Washington, DC 20007
Nancy Ames	Educational Development Center, Inc.	55 Chapel Street	Newton, MA 02458
Susan Fuhrman	Consortium for Policy Research in Education	3440 Market Street, Suite 560	Philadelphia, PA 19104
Denise Borders	Academy for Educational Development	1825 Connecticut Avenue, NW, Suite 800	Washington, DC 20009

Retreat Agenda

NEKIA Retreat GOALS & AGENDA
2/15-17; Scottsdale, Arizona

Purpose

Explore the past and the present to identify common ground on which build our shared future at NEKIA.

Goals

Know more about each other.

Have a shared vision of key elements in NEKIA's future.

Decide some operational issues based on the view of the future.

Work hard. Accomplish a lot. Enjoy ourselves.

Agenda

Wednesday

5:30-6:30 Welcome and Introductions

6:30-7:30 Dinner

7:30-9 Focus on the Past
 Goal: Appreciate our history, trends we have experienced, what the past means to us.
 Highlights and Milestones

Thursday

8-11:45 Focus on the Present
 Goal: Understand the forces having an impact on NEKIA now.
 Interview Highlights
 Trends Jump Start
 Small Groups Identify Trends
 Mindmap and Priorities

11:45-4 Focus on the Future
 Goal: Imagine an ideal future for NEKIA
 Working Lunch

	Small Groups Create Ideal Futures Present Future Scenarios
Friday	
8-12:15	Common Ground Discussion on the Future
	Planning for the Future Goal: Outline action plans Small Group Action Planning Report and Discuss
12:15 LUNCH	
	Pm: board meeting

Questions for Consideration from the Retreat Planning Committee

Key Questions

- Past Performance ---How would you rate the accomplishments and priorities over the past four years? What have been our greatest assets and strengths? Which of these assets and strengths could/should be further emphasized and applied?
- Future needs ---What are the most important future needs that members have and which could be realistically addressed by the trade association? What threats and opportunities in our policy and industry environment will we likely encounter over the next three years?
- Priorities --- Which priorities that have guided our annual work plan should be maintained? Changed? Eliminated? What new priorities should be added, if any? How should these priorities be evaluated over time?
- Organization --- What should NEKIA look like by the start of 2009? Number of members? Types of services and programs? Size of budget? Specialized interests? Types of memberships? Type of governance structure? Revenue streams? How should NEKIA position itself with the industry and the rest of the education community?

Our Facilitator

Jane Pettit, MSSW

Jane Pettit is the founder and President of GroupWorks, a training and development firm that assists its clients to put leadership, management and staff development practices in place to achieve strategic goals. Jane has twenty-five years of experience providing training and consulting services to a diverse client base, including corporations, associations, government agencies and non-profits, both in the US and abroad. Working in alliance with other senior consultants, GroupWorks offers a great breadth of expertise to address client needs. Services include the full range of services for organizational change, including executive orientation, executive team development, training design and delivery, material development, change facilitation, executive coaching, and corporate strategy development.

Jane's special expertise is in providing strategies for maximizing the productivity of the client's people resources. She has studied extensively the provision of technical assistance and adult learning methodologies as well as organizational dynamics. Current areas of interest include relationship-building for new hires, transitioning into technical leadership, implementing supervisory practices to achieve organizational goals, leadership team development, strategic planning and implementation, creating healthy cultures, capitalizing on diverse strengths, and teambuilding to maximize commitment, innovation and productivity.

Clients include World Bank, Marriott Corporation, Arthur Anderson, Deloitte Consulting, ACS, U.S. Department of the Treasury, U.S. Department of the Navy, U.S. Marine Corps, National Parking Association, CarrPark, FDA, ASAE, Chemonics, Hovde Financial, Georgetown University, Gallaudet University, Guest Services, International City/County Management Association.

Jane holds a Masters of Science in Social Work from the University of Wisconsin-Madison. Jane has run two national training centers. She is the author of multiple training manuals and Association Educational Programming Basics (Crisp Publications, 1997) on assessment, design, delivery and evaluation of staff development programs.

Jane Pettit, GroupWorks 202-364-7110 pettitgroupworks@starpower.net

EDUCATION

UNIVERSITY OF WISCONSIN, MSW, 1974
KANSAS STATE UNIVERSITY, BS, 1972

PUBLICATIONS sampling

Pettit, Jane, Dave Karlson, Association Educational Programming Basics, Crisp Publications, Inc., Menlo Park, CA, 1997.

Pettit, Jane, Senior Center Standards and Self-Assessment Trainer's Guide, National Council on the Aging, Inc., Washington, DC 1991.

Pettit, Jane, Board Works Training Manual, American Association of University Women, Washington, DC, 1986.

Pettit, Jane et al., Nutrition Service Provider's Guide to Program Management, Community Nutrition Institute, Washington, DC, 1981.

Pettit, Jane, Nutrition Service Provider's Guide to Training, Community Nutrition Institute, Washington, DC, 1982.

Pettit, Jane, Johanna Weinstein, How to Help Older People Eat Better, Community Nutrition Institute, Washington, DC, 1981.

GROUPWORKS PROJECTS BY CLIENT Partial List

Wyatt Preferred Choice/Wellspring Resources

- Organizational development, including:
 - Executive coaching
 - Key technical employee coaching
 - Team assessment and team building

Marriott International, Inc.

- Assessment of existing sales and communication training and curriculum development
- Conquest Training workshops

United Telephone

- Assessment of marketing staff development needs

World Bank

- Team-building retreats and follow-up meeting facilitation and skill-building sessions

ACS Transportation Technology Center

- Leadership team retreats and follow-up
- Management skills training ten-month series

Magellan Behavioral Services

- Leadership team assessment and retreat
- Staff retreats

Deloitte Touche: Thai Farmers Bank

- Training on credit management, sales techniques, training trainers

Arthur Andersen: Philippine Capital Markets Development Project

- Training of trainers for Capital Markets Development Project
- Organizational development assessment, Prosecution and Enforcement Department

Chemonics: Egyptian Clearing and Settlement Depository

- Training of trainers for Capital Markets Development Project
- Leadership team development and management training

CarrPark

- Team building
- Restructuring: Area Managers' management training

- HR plan development
- Executive coaching
- Supervision training for all management staff
- On-going customer service training for all employees
- Special project assistance, including:
 - Operations manual development
 - Incentive program design
 - Orientation training design
 - Cultural diversity training design

MarcParc

- Organizational Development: leadership team work sessions, coaching and follow-up

Food and Drug Administration

- Leadership team retreats, coaching and follow-up
- Division staff retreats and follow-up
- Performance Management System workshop

International City/County Management Association

- Meeting design and facilitation: hazardous waste

School for Contemporary Education

- Interdepartmental conflict resolution
- Team building
- Meeting facilitation

RMC Research Corporation

- Organizational development for a regional office, including:
 - Organizational assessment
 - Management team coaching
 - Conflict resolution
 - Team-Building
- Key technical employee coaching
- Advanced training techniques: multiple workshops

Mona Electrical Service, Inc.

- Mona Academy classes: motivation, leadership

National Endowment for the Arts

- National conference design
- Chief Facilitator, including:
 - Facilitator training, technical assistance and supervision
 - Conference on-site trouble-shooting and follow-up

American Society of Association Executives

- "Designing Programs for Different Levels" workshop
- Executive Symposium: Challenges Facing Professional Development: "Speaker Selection and Management"
- Management and Meetings Forum: "Creative Techniques for Interactive Programming"
- Management and Technology Forum: "Leading in the Middle" preconference workshop; "Managing From the Middle" workshop

Greater Washington Society of Association Executives

- "Designing and Delivering Effective Training Programs for Adult Learners" seminar
- Skill Builders seminars:
 - "How to Design and Market Your Educational Programs"
 - "The Fundamentals of Educational Programming"

AARP

- Team building
- Meeting facilitation
- Performance Self-Assessment Instrument for regional offices
- Project management training series

National Association of Community Health Centers

- "Community Partnerships: The Board Leadership Role in Coalition Building" multiple workshops
- "Running Productive Meetings" workshop

National Association of Private Schools for Exceptional Children

- "Teamwork: Staff Values, Risk, and Diversity" workshop
- "Teams, Visions and Values: A Practical Approach" workshop
- "Taking a Planful Approach to Fund-Raising: Tips for Benefits, P.R. and Your Board's Role" workshop
- "Persuasive Presentations" workshop

Alliance of Approved Private Schools

- Keynote: "Horns, Whistles & Parachutes: Managing Schools in Tough Times"
- "Dealing with Difficult People" workshop

Gallaudet University

- Customer service training for frontline and managerial staff
- Supervisory skills training to reinforce customer service
- Team building
- Customer satisfaction survey planning
- Coaching

University of Maryland

- "Achieving Management Excellence" faculty
- "Presentation Skills: Selling Yourself and Your Ideas" faculty • Nursing Home Administrator certification course: management training

Financial Management Service, Department of the Treasury

- "Creative Techniques for Interactive Training" multiple workshops for PACER Training Cadre
- "Building Teamwork Skills" workshop
- Headquarters training: various workshops
- Training for all regional offices, including:
 - "Creative Thinking and Problem Solving"
 - "Dealing with Difficult People"
 - "Time and Stress Management"

U.S. Marine Corps

- Customer Service Training Manual

- Customer Service training, on-site monitoring and coaching

Office of Civilian Personnel Management, Department of the Navy

- Team-building Retreat and Follow-Up

Nancy Lowe and Associates

- Team building
- Assertive communication workshop

National Council on the Aging

- *Senior Center Standards and Self-Assessment Trainer's Guide*
- Training of Standards Trainers Cadre: multiple years
- Facilitation skills training
- Leo Laks conference keynote speaker

Arlington County

- Fire Department Team Building: MBTI for supervisors
- MBTI as a Management Tool course

Montgomery County Community Action Agency

- Board team building

U. S. Office of Personnel Management

- "Basic Instructor Training" courses
- Special projects

Summary of Interviews

NEKIA
Interview Summary
1/06

NEKIA's role and purpose

Doing:

- Gives us a hill voice; watchdog and advocate
- Build understanding and money source
- More efficient than we could be; info source in Jim
- Stay abreast of other organizations
- Collegial relationships
- KU niche no one else has

Evolving into:

- Business development and marketing
- Professional development
- Best practice dissemination

Want:

- Resource broker
- Create brand identity and status
- Build same status as health research, JAMA-level publication, standards

NEKIA's current status

What's working

- Strength in numbers for advocacy, teaching us
- Jim connected with department and hill people
- Focus on KU
- Access to make deals with other members
- New members
- Work enthusiasm within subgroups

What's not working

- Association doesn't have a clear view of what it is, where it's going, priorities, expectations. Leader(s) need to set it.
- Need a more organized plan
- Membership and dues indecision
- Need more advocacy and inside info at department
- Members threatened by other members
- Accommodate too much to keep everyone happy
- Board functioning: member responsibilities unclear; information sharing beyond exec committee

What can be done to minimize competition and maximize cooperation

- It's all about trust and relationships.
- Get to know each other, what our organizations do
- Honest, explicit small group discussions on competition and cooperation and priorities
- Follow process norms
- Decide the membership and services issue
- Get serious and recruit a large KU group

Thoughts on NEKIA growth

Number of members and staff

- Adding members is a priority.
- Growing staff to provide priority services is fine.

Types of members

- Work on the list we already agreed upon
- Business members like CCSSO, for profits, large corporate partners
- Grad schools of education
- Represent the entire industry and bring people in who want to learn specific things that NEKIA can provide

Services and products

- Make the conceptual link between all offerings
- Decrease dues dependence
- Raise sponsor money for projects
- First find out why people belong now
- Core services plus a menu of fee-for-service; different things for different groups
- Use services to market membership
- Avoid competing with members
- Member showcases
- Networking
- Balderidge-type award
- Set quality, impact and delivery definitions and standards
- Publishing
 - Journal
 - Trend analysis: funding, players in the market
 - Monographs 2-3 times per year
- Professional development
 - By function: communications, legislation, evaluation, etc.
 - Management and entrepreneurship/business training
 - 21st century workplace issues

Trends to monitor

- Move NEKIA from reactive to proactive through attention to trends
- Analyze and report implications of trends
- Congressional direction, funding, players
- Private sector KU players (U of Phoenix)
- Marketplace changes: mergers, acquisitions, alliances
- Potential partners needing research
- Technology
- The nature of schooling, learning
- Leading indicators on who's buying what
- Higher ed teacher and principle prep
- Title 1 expenditure for whole school change
- R&D and bringing products to market faster
- Corporate activity from research to application
- Product life spans

Strategic issues

- Assist with a breakthrough on entitlement programs
- Gold standard of research and practical wisdom: what constitutes evidence
- Charter school players
- Inclusion and special needs assessment
- Accountability: measuring student growth
- NCLB sanctions for low performing school
- Losing ground in science, math, technology

What will it take to unleash the association's capacity for greatness?

- Strong leadership
- Focus on the same vision and possibilities that are compelling enough to motivate organizations who'll see the ROI to help realize their corporate vision; willingness to work for it; passion's more important than the issue; enthusiasm
- Deeper conversations
- Visible success of networking out of shared passion
- Finding ways to change practices; new partnering combinations for labs
- Compelling stories about changing children's lives
- Visibility
- Connection with academia for credibility

Is there a shared passion at NEKIA?

- Some around legislative need; not like before
- People share commitment (to get money), but miss the passion.
- How can we leverage the passion we have for our individual company work?
- Mission and application to improve education for kids motivates, not money; need discussion and alignment on it--who'll we'll be, impact—has to be a call

- Passion comes from focus, feeling empowered and excited, have a job to do, united, feed off each other. Progress indicators will create passion. We need objectives beyond growth: quality, impact, Balderidge-type award. We need the HOW to do it.
- Operationalize KU (not related to bill passage), decide what it means to be part of a KU organization, work together to have power and impact
- Need to unleash Jim's passion

Ingredients for a successful retreat

- Have a different conversation, small groups and grow around it
- Everyone share ideas and listen, bring excitement, be constructive and supportive, honest and straight forward about needs, hopes and visions for NEKIA.
- Camaraderie, deeper connection, understand motivators, lose stereotypes about each other, connect for business opportunities
- Recognize accomplishments
- Clarify our common purpose, passion, positioning: labs--attract others, professional development; KU (see above), take 1-2 big ideas to funders, action steps
- Prioritize who to recruit so you can say "NEKIA represents THE organizations that are both building the K base and getting it used."
- Discuss competition and collaboration; all stay in the conversation
- Learn something I can use in my organization, too
- Decide membership and dues

Trends in Associations

Exploring the Future: Seven Strategic Conversations That Could Transform Your Association Introduction

It is not the answers that enlighten, but the questions.

—Decouvertes

Getting good answers about your association's future requires asking the right questions. By asking the right questions, associations will be better prepared to assert their prominence in the 21st century. The ASAE Foundation's research postulates that the right questions will start conversations that are imperative for associations to thrive in future years.

The ASAE Foundation partnered with the Institute for Alternative Futures, Alexandria, Va., to conduct a multi-year exploration of issues that associations will soon confront. In 1999, the Foundation's first environmental scan produced *Facing the Future: A Report on the Major Trends and Issues Affecting Associations*, which explored current information about emerging trends that is essential for discovering new opportunities. This publication, *Exploring the Future: Seven Strategic Conversations that Could Transform Your Association*, is about the questions that evoke action.

This publication will initiate conversations at the government and staff levels about issues that are critical to determining the success of your organization. *Exploring the Future* identifies seven issues that should be investigated so that your organization will be prepared to adapt and thrive in the coming decades.

Seven Strategic Issues

Meaning Matters. Meaning is the best way for associations to differentiate their value to members. Associations create meaning through meaningful purpose, meaningful relationships, and meaningful contributions. Amid the chaos of rapid change, meaning and purpose are the anchoring qualities that attract and retain members.

Global + Local = Global. "Glocalization" is a term that describes how many aspects of life are becoming more global and more local at the same time. Many national-level decisions, for example, are moving upward to international organizations and devolving downward to state and local governments. Associations will find new challenges and create roles in a globalizing world.

For information on ordering any of the ASAE Foundation Strategy Guides or the complete report, contact ASAE Member Services at (202) 371-0940 or order online www.asaenet.org/bookstore

Inclusivity. A rich variety of cultural backgrounds and viewpoints within associations can improve creativity, decision-making, and programming. To tap these potentials, associations will need to shift from assimilating differences to raising awareness of differences, valuing them, and making use of them.

Generational Synergy. Achieving greater synergy among generations is one of the key challenges involved in inclusivity. Each generation has contributions to make and roles it can play in its interaction with other generations. Associations that learn to foster generational synergy will gain enormous advantages.

Learning Culture. The ability to *learn* is the single most important skill individuals and organizations need to thrive amid rapid change. Associations need to focus more on learning and less on teaching. To compete effectively with other organizations and information sources, associations need to shift from providing “continuing education” to facilitating continuous learning.

Transparency. Demands for greater openness and accountability are growing rapidly, driven by the spread of democracy, economic globalization, the digital revolution, and Internet-enhanced social activism.

Associations need to balance the organizational and social advantages of greater transparency with legitimate concerns about transparency's disadvantages and limits.

Living Organizations. Instead of trying to control everything in an environment of continuous change, association leaders need to view their organizations as living systems able to self-organize to adapt to change. To promote self-organization, leaders need to clarify their purpose and values, minimize bureaucracy, and understand the critical importance of knowledge sharing and trust.

These seven strategic issues emerged from a ten-month, Internet-based future scan discussion that involved more than a hundred association executives, theorists, and guest experts. Future-related issues were discussed in virtual and face-to-face environments. The seven issues that emerged are issues that require analysis and action. The framework will prove to be a useful tool for initiating conversations and asking the right questions to provoke leaders and staff to create opportunities for your organization's future.

The Challenge of Change

In one of the first conversations in the futures scan online dialog, futurist James Dator, president of the World Futures Studies Federation, asked participants to distribute 100 percentage points among three major drivers of change that will likely transpire over the next 20 to 50 years. You might find it interesting to make your own estimates.

- ____% **Continuities**
Those things that were part of the past, are important now, and will be part of the future.
- ____% **Cycles**
Economic, technological, generational, or other kinds of cycles, where things that happened before will be important again.
- ____% **Novelties**
Those things that are completely new, that was not part of the past and may be emerging only now, but will be increasingly important in the future.

On average, association participants who completed Dator's online questionnaire believed that more than a third of the future will be driven by novelties, some think that as much as 50 percent of the future will be novel. On average, the futurists who responded thought that nearly two-thirds of the future will be unprecedented. Dator himself used 50 percent for novelties.

If you look at what it is you might never attain what could be.
—James Dator

The idea that a third or more of the future could be radically different from today just a generation from now is novel in itself. What makes people believe that such an unprecedented rate of change is plausible? The dialog suggested three main factors.

Converging Technologies. All technologies that involve information in any way are increasingly able to interact. This is the essence of the digital revolution: information is being reduced to the same basic form in all these systems—but that not need from one technology to another. Because the technologies interact, progress in one stimulates developments in the others. Information technology is fostering technical associations in biotechnology, sustainable design, nanotechnology, and many other areas. The result is an unprecedented technological acceleration.

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Out farther ahead, in the 20-to-50-year range, there is less certainty but more monumental possibilities for breakthroughs in areas like nanotechnology, robotics, and artificial intelligence.

A New Economy. The explosion of knowledge and technological change is creating a new economy that is much bigger than e-commerce. While some sectors lead and others lag, the character of the whole economy is changing. It is increasingly knowledge-based, global, networked, transparent, and fast. Consumption of things is giving way to experiences, atoms to bits, possessions to relationships, and physical capital to human capital. "Matter" matters less, meaning matters more; distance is vanishing; and time is collapsing. Static rules are being replaced by faster, more flexible modes of learning and coordinating. Value chains are becoming value webs, hierarchies are flattening and linking outward, and relationships are becoming central to success.

Societal Challenges. Our society faces a wide array of challenges. Some are primarily technological. For example, improvements in energy efficiency and alternative sources of energy are needed to head off global warming and support the world economy as global oil supplies decline. Other challenges, like providing affordable health care to our aging

population, or fostering more equitable patterns of global economic growth, are primarily social. Challenges of this magnitude will require significant change to occur and has the potential to be disruptive if not dealt with systematically.

All our experience is based on the past, but all our decisions are about the future. Accelerating change is making the past experience of association executives less relevant. This forces everyone to engage in a continuous process of learning and adaptation. Rapid change is speeding up our lives and blurring the traditional boundaries between fields and organizations. As individuals continuously change roles, learn new skills, and explore expanding options of how to live and work, their very identities—their sense of bounded, stable selves—is under siege.

The Potential for "Associating" More Effectively

The single most important requirement for operating successfully in a world of accelerating change is the ability to "associate" effectively—to bring people into more open and cooperative relationships within organizations and to form new groups and subgroups, as needed, to have, plan, and coordinate responses to emerging developments. Many things about today's associations may eventually become obsolete, but whatever changes may come, the process of associating will become increasingly important.

The new economy is moving in a direction that associations have pioneered. The skills of group formation and development are critical. These skills give association leaders a head start in dealing with rapid change and helping their members meet the challenges ahead. Association members can serve as an anchor for identity in the storm of change. They can help members define who they are and how they fit in.

Associating more effectively is likely to become much easier in future years. New community tools will make it easier to bring people together, overcome barriers of time and distance, and help people carry out different tasks online, from brainstorming to decision making.

Thinking Functionally About Your Emerging Future

Exploring the Future offers two frameworks for engaging in strategic conversations about how to approach the future. You are encouraged to use the provocative questions at the conclusion of each chapter to jump-start strategic conversations with your leadership and staff.

The following grid is provided to help you think through the implications at an operational level of your organization. Your staff team should review each association function and identify how your association will respond to future opportunities.

Probe each "box" with the these questions in mind:

- What are the implications of the trend on this function?
- What actions can we take now?
- What actions should occur over the next two to three years?

Each box in the grid represents a place to write your future.

Thinking Functionally About Your Association's Future

	Meaning Matters	Inclusivity	Generational Synergy	Global+Local =Glocal	Transparency	Learning Culture	Living Organizations	
Governance								
Membership Recruitment								
Member Communications								
Accounting or Finance								
Legal Compliance								
Marketing								
Business Development								
Public Relations								
Education and Training								
Conferences and Meeting Planning								
Fund Development								
Fellow Meeting								
Governmental Affairs								
Certification								
Standards								
International								
Technology								
Chapter Relations								

SCALE: great impact modest impact minimal impact

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Provocative Questions

For Association Executives and Leaders

Associations create meaning through meaningful purpose, meaningful relationships, and meaningful contributions. Associations with a clear sense of purpose gain an enormous advantage in differentiating their value for members. Meaningful relationships are cultivated through shared work, community cohesiveness, and attention to emotions. Meaningful contributions are tangible channels for purpose and relationships in action.

A reliable predictor of an association's potential effectiveness is the extent of its healthy relationships with other organizations and institutions. Does your association have meaningful relationships with its strategic partners, business partners, and valued competitors?

Associations of the future will accelerate the development of meaningful relationships. What strategies can you use to help new members develop the ties long-term volunteers have?

Clear purpose, strong values, and meaningful relationships are enduring qualities that attract and retain members. Who is your association not getting as members that it should? What segments of your membership are eroding? What changes in your approach to meaning could attract and retain them?

Transparency involves operating in an open, accountable manner and providing the public with information it can use to evaluate your performance. Propelled by forces as powerful as the spread of disinformation, economic globalization, the digital revolution, and the rise of transnational civil society, this is an issue to which all association leaders need to attend.

Associations will be a forum for negotiating a new code of conduct between their members and the public. How might transparency regarding public relations be an avenue to greater public understanding and collaboration?

An organization that adopts a principled, consistent policy of transparency can gain several advantages. How would transparency give you a trustworthy reputation? Higher efficiency and effectiveness? A magnet for membership? Protection against hostile takeover? Water-tight liability?

If there is a new state code for leaders, it is being able to help your constituents to their organizations. Are your leaders operating as career business and continuing their role as guides in a changing environment?

Glocalization is the process of globalization and localization interacting to create an interdependent world. National decision making is moving upward to international institutions, downward to state and local governments, and sideways to nongovernmental organizations. The Internet helps create a glocal marketplace in which any size business can operate both globally and locally. The emerging glocal culture should be both diverse and unified. Communities are forming around common interests without regard to geography.

Your association will need to change its services to represent and serve glocal members. What effect will the glocal marketplace have on the goods and services you provide? What will be your sustainable business model in this new context?

Many decisions previously made at the national level have shifted upward to international organizations, downward to state and local governments, or sideways to nongovernmental organizations, including associations. How will glocal decision-making change your role in advocacy?

More people will use an affiliation or membership in a community of interest (or association) as a key component of their identity. What steps can your association take to help your members create an identity as a global citizen of an industry, profession, or cause?

Many people fear a global metaculture will soon eradicate the unique qualities of local cultures. What role can your association play in facilitating a glocal culture that honors local customs and traditions?

The educational focus for associations is shifting away from transfer of information and teaching toward continuous learning. Associations will become facilitators of learning, acting as the central hub in a network of learners. Their education programs will employ active learning and use distributed learning to engage participants wherever they are located.

In the future, associations will measure the success of their education programs by how much learning the group generated. Can your association claim to future role as a facilitator of a network of learners shaping knowledge for your field? What measures of success will ensure that your members are the leaders in learning?

Associations can facilitate a deeper and more significant form of collaboration to explore differences in underlying assumptions which are often unconsciously held. How are you intentional helping members explore their mental models and get to the right questions?

Associations are living systems in a real sense—they are not machines but groups of people working to create something together. This new perspective suggests that instead of trying to control everything, association leaders need to view an organization as a living system with the ability to self-organize.

Purpose and values are the simple instructions that enable associations to self-organize without losing their identity. Does your association have a sufficient framework to live in a world of intense options?

Leaders must be able to facilitate dialogue. How can you help your leaders transform from “my way” to “our way”?

Trust is the litmus test of a healthy living organization. What is your association doing to add trust to its system? How are you subtracting trust?

Association leaders will become more adept at identifying the positive deviance—any unusual and unpredictable behavior that is working. How does your association welcome what is learned outside its normal channels?

Adapted from Olsen, Robert and Atul Dholake, Exploring the Future: Seven Strategic Conversations That Could Transform Your Association. ASAE Foundation, 2001.

Changing the Association, the Profession, or Both?

The Society of Cardiovascular and Interventional Radiology undertook ambitious efforts to consciously change both the association and the profession in one simultaneous adaptation process. According to these authors: "Changing an organization's genetic code requires recognition of shifts in the members' business environment, good research, willingness to suspend disbelief, courageous decisions, adherence to a compelling message, and strong champions."

Among their tips:

1. **Be as distinctive as possible.** If you are going to break from the past, break clean and do it with distinction.
2. **Define your profession by an outcome, not an input.** In the border wars that plague many professions and occupations, those who define themselves in terms of what they do are a less compelling force in the marketplace than those who define themselves in terms of what they achieve.
3. **Choose consistency, not critical mass.** In repositioning a profession that is changing in a sea of change, it is tempting to go for mass appeal by trying to capture similar or emerging interests on your boundaries. Butterfield and Pomerantz say pass on this temptation if it dilutes the distinction you must establish in terms of your contributors' ability to produce results.
4. **Recognize that profound change creates opportunity.** The death of SWOT analysis is the realization that a threat to one professional is an opportunity to the opportunist. Assume that earth-shaking change will create opportunity for those who are first to see it.

Source: "Transformation Revolution," by Bruce Butterfield, CMC, and Paul Pomerantz, CMC, *Association Management*, October 2002, pp. 40-54.

Source: Dalino, James G., *From Scam to Plan: Managing Change in Associations*, ASAE Press, 2004.

Agenda for Board Meeting

Issues, Options and Proposals

To: Board of Directors
From: Jim Kohlmoos
Subject: Board Meeting Agenda
Date: February 8, 2006

During the retreat portion of our gathering we will be discussing and visualizing ideas about the future of the industry, our members and NEKIA as a trade association. We aim to create and reach consensus on a vision of NEKIA in the future. We will then move to a formal Board meeting to make decisions about several key operational issues in 2006. We will want to make these decisions within the context of vision generated during the retreat.

The specific issues and decisions that we will need to address are listed below. Note that during the retreat additional issues may emerge requiring Board action during the formal meeting.

Noon- 1:30 Working Lunch 2006 Membership, Budget Situation and Work Plan

- Review budget and membership situation (documents will be distributed at the meeting)
- Review approved work plan
- Decide whether or not to revise work plan based upon budget and retreat findings

1:30- 2:00 2006 Government Relations Plan

- Review proposed plan (see pages 33-40)
- Decide whether to revise and/or approve

2:00-3:00 Affiliate memberships for sub organizations within universities

- Review proposed strategy (see pages 41-43)
- Decide whether to revise and/or approve

3:00-3:30 Membership Development Strategy

- Review 2005 plan (see pages 44-49)
- Decide whether to revise and/or approve

3:30-3:45 Sector group meetings/ actions

- Discuss options

3:45-4:00 Follow-up Tasks

**National Education Knowledge Industry Association
Board of Directors Retreat
February 15-17, 2006**

Dear Board of Directors,

Attached you will find our Proposed 2006 Government Relations Plan. At this meeting we will adopt our final plan for the year from which we will formulate our official requests to Congress. Before that, however, we will reexamine the plan in light of recommendations from our Policy Action Group meeting in January. We will also want to consider our requests relative to the President's Budget Request to Congress made earlier in the month.

In addition to our traditional list of issues and programs, we will discuss our potential involvement in issues such as National Science Foundation funding; Special Education Research and other areas of interest to NEKIA members.

In your review we suggest you pay special attention to the following components:

- Priorities (eg Tier A, B and Watch list) for appropriations line items
- Funding levels for each line item
- Reauthorization positions
- Implementation Issues
- Roles of NEKIA and PAG members

We look forward to a lively and thoughtful discussion.

Marcia Knutson

Jim Kohlmoos

Proposed NEKIA Government Relations Plan – 2006

FY 2007 Appropriations -Advocate for an increase in appropriations levels for designated priority programs by approximately 10% over the FY 2006 levels.

Key Activities:

- Develop position for each relevant funding account,
- Design and implement targeted outreach strategy to Congress, monitor progress,
- Provide accurate and timely information, strategic guidance, and training to designated Policy Action Group representatives.
- Create yearlong master plan for grassroots advocacy
- Convene regular conference calls, ongoing email communications, and at least 2 DC-based working meetings
- Maintain “on call” contact with PAG members for advice and sharing.

Implementations -Ensure the favorable implementation of and participation in relevant provisions in Education Sciences Reform Act (ESRA) and No Child Left Behind Act (NCLBA)

Key activities:

- Monitor implementation issues regarding our Priority Programs, including the National R&D Centers, the Comprehensive Centers and the Regional Education Laboratories.
- Work with key officials at the Department of Education, the Education Sciences Board and the Congress.

Reauthorizations -Promote positions on selected issues that affect members’ future business opportunities relating to the Elementary and Secondary Education Act/No Child Left Behind (ESEA/NCLB), the Higher Education Act (HEA), the Perkins Act, and other authorization and policy areas.

Key activities:

- Identify relevant issues and formulate positions
- Establish strategic priorities and advocacy strategies
- Work with coalitions to promote positions

Priority Categories

Last year, we redesigned out priority categories as follows:

“A” List --- Issues of greatest importance to the most members. Staff and affected members will devote the most effort, attention and political capital. Specific activities will include extensive personal Congressional visits, on-going targeted Congressional correspondence, grassroots advocacy support among members and key customers, direct monitoring of Administration and Congressional activities.

“B” List --- Issues of high interest and relevance to most members. Staff and relevant members will devote significant effort and attention. Specific efforts will include personal Congressional visits and letter writing, coalition- work (sign on letters, group position statements, interest group meetings), monitoring of Congressional activities in conjunction with other interested organizations.

Watch List --- Issues of broad interest to some members and/or the trade association. Staff will devote limited time and effort in conjunction with other organizations. The specific activities be primarily reactive and include group sign-on letters, position statements and meetings. NEKIA will monitor these issues through coalitions if circumstances warrant.

Issues and Positions

“A” List

“A” List --- Issues of greatest importance to the most members.

Regional Education Laboratories (Line item under Research and Statistics account, IES)

FY06-final: \$65.470 M

President’s Budget: \$65.470 M

NEKIA FY 07 Request: \$79 M

Comprehensive Centers (School Improvement Programs-SIP)

FY06-final: \$56.257 M

President’s Budget: \$56.257 M

NEKIA FY 07 Request: \$62 M

Research Development and Dissemination - Including R&D centers (IES)

FY06-final: \$162.552 M (including favorable language on R&D centers)

President's Budget: \$162.552 M
NEKIA FY 07 Position: \$179 M

“B” LIST

Comprehensive School Reform (Office of Elementary and Secondary Education – OESE)
FY06-final: \$7.92 M (for clearinghouse, evaluation and quality centers;
state grants eliminated)

President's Budget: \$7.92 M
NEKIA FY 07 Position: \$8.8 M

Watch List

Math/Science Partnership (School Improvement Programs-SIP)
FY06-final: \$182.16 M

President's Budget: \$182.16 M
NEKIA FY 07 Position: TBA based upon coalition action and the President's
budget request.

21st Century Community Learning Communities [After School]-(SIP)
FY06-final: \$981.166 M

President's Budget: \$981.166 M
NEKIA FY 07 Position: TBA based upon After School Alliance action and the
President's budget request

Title I (OESE)

FY06-final: \$12.713 B

President's Budget: \$12.713 B plus \$200 M for School Improvement
NEKIA FY 06 Position: TBA based upon El/Sec coalition action and the President's
budget request

Even Start (OESE)

FY06-final: \$99 M

President's Budget: zero
NEKIA FY 06 Position: TBA based upon coalition action and the President's
budget request.

Reading First (State grants)

FY06-final: \$1.029 B

President's Budget: \$1.029 B
NEKIA FY 07 Position: TBA based upon coalition action and the President's budget request.

Striving Readers (OESE)

FY06-final: \$29.7 M

President's Budget: \$100 M
NEKIA FY 07 Position: TBA based upon coalition action and the President's budget request.

State Grants for Innovative Programs (SIP)

FY06-final: \$99 M

President's Budget: \$99 M
NEKIA FY 07 Position: TBA based upon coalition action and the President's budget request.

Statewide Data Systems (IES)

FY06-final: \$24.552 M

President's Budget: \$54.552
NEKIA FY 07 Position: TBA based upon coalition action and the President's budget request

Parental Information and Resource Centers (FIE/OII)

FY06-final: \$39.6 M

President's Budget: 0
NEKIA FY 07 Position: TBA based upon coalition action and the President's budget request.

Safe and Drug-Free Schools and Communities State Grants

FY06-final: \$346.5 M

President's Budget: 0
NEKIA FY 07 Position: TBA based upon coalition action and the President's budget request.

Authorizations

ESEA No Child Left Behind

Status: Not due for reauthorization until 2007, and most think it won't happen until after the 2008 elections. Some early information gathering work likely to happen this year—

hearings, etc. Agenda somewhat in flux due to change in Chairmanship in the House. Approximately 20 early bills have been introduced laying out the priorities and interests of the sponsors.

Position: Support the infusion of evidence-based, scientifically based research and other issues as a bill develops. Follow guidance of the El Sec Working Group.

Higher Education Act Reauthorization:

Status: Due for reauthorization in the 108th Congress, but was not completed. Last minute attempt in first session of the 109th failed.

Position: Support the infusion of evidence-based, scientifically based research and other issues as the bill develops. Follow guidance of Higher Education associations.

Carl D. Perkins Vocational and Technical Education Act (Perkins):

Status: Due for reauthorization in the 108th Congress, but was not completed

Position: Follow guidance of the Association for Career and Technical Education and the State Directors of Vocational Education in formulating positions and support for their efforts in reauthorization. Include special attention to Adolescent Literacy component.

E-Rate:

Status: EdLinc Coalition successful in obtaining one year exemption from Antideficiency Act that restricts the obligation and flow of funds to schools and libraries, but program needs permanent exemption.

Position: Support EdLinc coalition efforts to introduce and enact permanent exemption.

Implementation

NCLB and ESRA issues and regulations

NCLB reports – relevance

Indirect costs

OMB “PART” process; (evaluations [of labs] to be used in determining future Budget requests)

Discretionary grant competitions schedule

ED strategic plan implementation activities

ED staffing patterns and organizational developments (research/practice, evaluation/policy)

ED sponsored meetings and conferences

Political leadership appointments

Strategies and Tactics

Overall Approach- We will use the same fundamental grass roots, constituent-driven strategy employed over the past several years. The approach involves an on-going process of intelligence gathering, information sharing, targeting and positioning, constituent outreach, and materials developments. As a relatively small trade association with a cadre of highly experienced government relations specialists in many member

organizations, we collectively have a unique capability to adjust to a changing policy environment and activate a broad and diverse base of support from around the country.

Roles and Activities ---The overall approach depends upon a strong mutually supportive working relationship between NEKIA staff and the members' designated staff. Specifically, our respective roles will be as follows:

NEKIA Staff:

Positions-Propose positions and priorities for approval by PAG and Executive Committee
Congressional monitoring and action-Monitor and participate when appropriate in hill activities on issues of interest to NEKIA members, including but not limited to education appropriations and education authorization measures, (such as hearings and markups) and promote the NEKIA position through staff visits, position statements, sample materials, and hearing testimony.

Executive Branch monitoring and action-Monitor and participate in Departmental implementation issues relative to the No Child Left Behind Act (NCLB) and the Education Sciences Reform Act (ESRA)

Relationship building-Establish and maintain close contact with appropriate hill staff and department personnel. Lobbying activities focused mainly on Committee staff and staff of committee members.

Materials and activities--Initiate activities with member organizations and professional colleagues, including letters, coalition letters, visits

Cultivation-Identify and recruit cultivate champions

Assistance-Assist member organizations in working with their own representatives

Coalitions—Generate support of other education groups and interests in support of our positions

Coordination—Coordinate efforts among NEKIA member organizations

NEKIA Member:

Targeting-Identify key members of congress within district, state or region (with help from NEKIA staff)

Relationships-Establish and maintain relationship with those offices; seek commitments for support of NEKIA priorities

Contacts-Keep NEKIA staff informed of hill contacts

Materials and resources-Develop materials for hill and administration targets that promote association's positions based on their own efforts and activities

Outreach-Secure end user's support and advocacy for NEKIA positions and facilitate communications (letters, visits, phone calls) with Members of Congress.

Implementation-Monitor and advise NEKIA on issues relevant to greater NEKIA membership.

Targeting-Another key element of the strategy is identifying key Members of Congress and Administration officials who can help advance our positions on various issues. With the PAG the NEKIA staff will develop a master list of targets for nurturing or developing relationships. This master list will be completed in early February and refined throughout the year as conditions and relationships change.

Timing and Calendar-Because the Congressional calendar is so fluid, we need to be very attentive to the changing conditions and the best times to activate various elements of the overall strategy. We have developed a master calendar and have focused specific attention on intervals of 45-60 days. We will work with the PAG members on implementing and adjusting the calendar.

Affiliate Memberships for 2006

To: Board of Directors
From: Jim Kohlmoos
Subject: Proposal, Transitional Affiliate Memberships
Date: January 30, 2006

As you will recall during our December conference call, we tabled further discussion about affiliate memberships for “sub entities” (see memo below) until we could discuss longer term membership issues at our retreat in February. So the time is approaching to address this issue again and we will do so during the Board meeting portion of our gathering in Scottsdale.

I anticipate that we will generate a number of good ideas during the retreat that we will want to act on during our Board meeting. At this point without the benefit of the retreat discussion, I wish to propose the following approach and use it as a starting point for our deliberations:

1. Continue the regular affiliate policy as established in 2004 for organizations with budgets less than \$3.5 million.
2. Create a “transitional” affiliate membership category for 2006 only. Eligibility for this temporary special case situation are last year’s members who are going through a hardship transition or whose current circumstances prevent a full membership. These special cases could include: past alliance members such as the Continuing Education Center at Oklahoma University and the Center for Excellence and Equity at George Washington University and current installment plan members who lose their contracts.
3. Create a task force to review membership models and propose new membership structures for our April meeting. The task force should consider the longer term ideas from the retreat, creating more categories, “rebundling” services and benefits, and generating more predictable streams of revenues from dues and fees.

I propose this course of action for several reasons:

- This is a transitional year for many of our member organizations including NEKIA and we should be flexible and responsive to the changing needs and capabilities of our loyal members. A rigid structure during this uncertain time could do serious harm to our membership levels, budget, and government relations and business development efforts.
- Our recent research of membership associations reveals that periodic changes in membership structures are a norm as members and markets and issues change. The trend is toward more differentiation in membership categories and the parceling out of many services in a cafeteria arrangement or bundled fashion. We should study these possibilities further.

- We have an immediate need to move forward with our 2006 work plan and corresponding budget. But we also need some additional time to consider longer term issues. This transitional approach would allow us to do both.

I look forward to having the Board act on this or an alternative proposal during the Board meeting.

For your reference

To: Board of Directors
 From: Jim Kohlmoos/John Waters for the Executive Committee
 Subject: Proposal, Defining “sub-entity” for Affiliate Membership
 Date: December 7, 2005

You will recall that at our Board meeting we had a lengthy discussion about two prospective affiliate members and our affiliate membership procedure. The procedure approved by the Board in December of 2004 says:

1. *Limit associate membership eligibility to “small” organizations (annual revenues of \$3.5 million—a common threshold for small business determinations). On a case by case basis, consider “cost centers” within larger organizations.*
2. *Maintain current benefits package for associate memberships.*
3. *Maintain current fee of \$5000.*
4. *Change the name to “affiliates”*
5. *Implement this new framework immediately*

At issue at our recent meeting was what constitutes a “sub-entity” when the proposed member is part of a large organization such as a university. The Executive Committee proposes that we establish the following statements be added to the procedure for such entities.

- A sub-entity refers to a distinct cost center within a larger organization that has operational responsibility for one or a number of programmatic functions, has a clearly defined structure with an executive level supervisor.
- Executive Committee will review all proposed affiliate memberships prior to presentation to the Board and may consider special circumstances and exceptions in its review.

Types of Membership

Institutional

One seat on Board of Directors
 Individual consultations with NEKIA staff
 Site visits and presentations by NEKIA staff
 Congressional and Executive agency outreach by NEKIA staff
 Monitoring of Congressional and agency activity on specific issues
 Washington Update emails
 Special interest conference calls

Membership in NEKIA Policy Action Group (PAG)
Membership in NEKIA Communicators Group
Membership in NEKIA Business Development Group
Government Relations Handbook
Members Handbook
Access to members-only site on web
Participation in Legislative, Communications and Professional Development Activities
Use of DC office on request and availability

Alliance (discontinued November, 2005)

One seat on the Board of Directors representing the group's interests
Special communications with the group via email and conference calls
Group consultations with NEKIA staff
Congressional and Executive agency outreach by NEKIA staff on behalf of the group
Monitoring of Congressional and agency activity on specific issues related to the group
Individual members of the group will have access to:

- Washington Update emails
- Special interest conference calls
- Membership in NEKIA Policy Action Group (PAG)
- Membership in NEKIA Communicators Group
- Membership in NEKIA Business Development Group
- Government Relations Handbook
- Access to members-only site on web
- Participation in Legislative, Communications and Professional Development Activities
- Use of DC office on request and availability

Affiliates

Washington Update emails
Special interest conference calls
Membership in NEKIA Policy Action Group (PAG)
Membership in NEKIA Communicators Group
Membership in NEKIA Business Development Group
Government Relations Handbook
Participation in Legislative, Communications and Professional Development Activities
Access to members-only site on web

Membership Development

To: Board of Directors
From: Jim Kohlmoos
Subject: Revisiting our 2005 Membership Development Plan
Date: January 25, 2006

Last year the Board put into place a membership development plan for the next three years (see below). We were fairly active in implementing the plan early in 2005 and happily welcomed AIR and AED to our knowledge community. Work on membership subsided by mid year as we moved into the competition period. At our Board meeting we will want to revisit this plan and develop new targets and tasks for our board.

For Your Reference

To: Executive Committee
From: Jim Kohlmoos
Subject: Implementation of Membership Development Strategy, 2004-2007
Date: November 9, 2004

This is a discussion paper to help guide our membership development work during the Executive Committee meeting on November 17.

As outlined in the plan approved by the Board in September, our first tasks are to:

- Develop an industry profile
- Develop desired membership characteristics
- Identify gaps in our membership
- Identify up to 15 high potential members

Here is my initial thinking about these four tasks.

Industry profile

For the purposes of this discussion, I suggest the following industry profile:

The knowledge industry includes entities that provide services or products for improving teaching and learning to K-12 public and private schools, school districts, state education agencies, tribes, chartering agencies, and philanthropic and corporate interests. The entities may be public, private, for profit and non profit and are involved in one or a combination of the following functional and topical areas:

Functional Areas

Research	Technical Assistance	Evaluation and Program
Dissemination	Product Development	Assessment
Training/Professional Development	Policy Analysis and Assessment	Data Management and Performance Tracking

Topical Areas

Accountability	Finance and Governance	Science education
After school programs	Gifted and Talented	Service Learning
Arts education	Health Education	Small learning communities
At-Risk Students	High School reform	Social Studies
Career/Technical Education	Indian education	Special Education
Charter Schools	Knowledge Utilization	Standards and Assessments
Citizenship education	Leadership	Supplemental Services
Comprehensive school reform	Literacy/Reading	Teacher Quality
Desegregation and Equity	Magnet Schools	Teacher Recruitment and Preparation,
Early Childhood	Numeracy/Math	Technology
Educational Productivity	Science education	Urban education
English Language Learners	Migrant education	Vocational Education
	Parental Involvement	
	Rural education	
	School Choice	
	School Safety	

Desired Characteristics

Within the board parameters of the knowledge industry, the characteristics of a full NEKIA member should include the following:

1. Must agree in principle to NEKIA's mission, values, goals and annual work plan
2. Must be willing to actively participate in trade association activities
3. Must be in stable financial health and able to pay the annual fee
4. Must be interested in being a member for more than one year.
5. Must not be involved in litigation that adversely affects current members
6. Must be focused primarily on K-12 education issues relating to improving teaching and learning
7. Must be involved in one or a number of the functional and topical areas (above).
8. May be directly or indirectly affected by federal education grants and/or contracts at the US Department of Education
9. May be either for-profit or non-profit and public or private

Gaps (under represented elements in current membership)

At the September Board meeting, we agreed that one way to determine which organizations to target is to identify the organizational types, functional areas and/or topical areas which are under represented by our current membership. Here are some of these gaps:

Organizational types

Teacher preparation entities	Software developers/publishers	School management organizations
Museums & libraries	For profit universities	Data management and clearinghouse entities
Intermediate school districts	Tutoring organizations	Philanthropies
Textbook publishers	Charter school developers	Membership organizations

Topical areas (topics in which some current members may be focused but on a relatively small scale)

Indian education	Civic/citizenship education/ service learning	Civic/Parent Engagement
Arts education		Teacher preparation
Special education		
Vocational education	Safe and drug free schools	
Migrant education		

Functional areas (functions in which our current members identified in the Capacity Survey as wanting to build greater capacity)

- Experimental/Quasi-Experimental Research and Evaluation
- Professional Development
- Consultative Services/Technical Assistance (3 organizations)
- Policy Analysis and Assessment (3 organizations)

Other criteria for Targeting

In addition to identifying gaps or under-representations in our membership, we should also consider other factors for identifying our desirable targets. Consider these factors:

Hot Topics --- We should consider the topics that will receive the most attention during the second term of the Bush Administration and then find organizations that are involved in these topical areas. The hot topics from my perspective will include:

- High school reform
- Adolescent literacy
- Charter schools
- Public school choice
- Science education
- Supplemental services
- Teacher preparation and teacher quality

Hot functions --- Similarly we should consider what functions will be most strongly valued during the second term. They include:

- Innovations for turning around low performing schools
- Experimental/Quasi experimental evaluations

- Technical assistance related directly to NCLB and IDEA implementation

Competitors or Collaborators --- This is a difficult issue but we need to assess whether we should target new members who are likely to be direct competitors with current members or who would be strong potential collaborators with current members.

Hot organizations --- We should consider targeting organizations that have had recent success in winning contracts or grants and who would likely want to protect their interests through NEKIA. Some organizations to consider include:
 Black Alliance for Educational Options
 National Urban League

Organizations in difficulty --- We may also want to find organizations that already need help in sustaining their portfolios and need to find a collective cost effective way to do so.

Contacts --- As a reality check, we should also pursue organizations with which one or number of our members has direct and ready contact. We will want to pursue organizations for which we have a reasonable chance of attracting.

Targeting Rubric

For discussion purposes, I have put together the following rubric by which to rate organizations according to the criteria discussed above. I selected 15 organizations from our list that was developed and refined earlier this year. At our meeting we may want to test this rubric among ourselves and then discuss it with the Board.

- 1 — fills gaps**
- 2 --- involved in hot topics**
- 3 --- Possesses hot functions**
- 4 --- Has high potential for collaboration**
- 5 --- Has high potential for competition**
- 6 --- Is a hot organization**
- 7 --- Is having difficulty**
- 8 --- Current member has direct favorable relationship**

Org		1	2	3	4	5	6	7	8
Abt	Research & evaluation								
AIR	New focus on research to practice								
CAL	Strong ELL issues								
CNA	New player								

	in TA								
CSC	Prime ERIC contractor								
ETS	Testing & TA								
NSDC	Professional Development leader								
RRCs	Spec Ed Resource Centers								
RTI	Research Triangle—large Iraq contract								
SRI	Evaluation of Gates and others								
Standard & Poors	Data management								
TERC	Scienc & math								
UNC	New rural R&D Center								
Vanderbilt	New choice R&D Centers								

Abt Associates
 AED
 AIR
 Alliance for Excellent Education
 Achieve
 History Channel
 Discovery Channel
 Bigchalk.com
 Blackboard, Inc.
 C.N.A.
 Canter
 Center for Applied Linguistics
 Chancery
 Classroom Connect, Inc.
 Co-Nect Schools

CSC (Computer Sciences Corporation)
 Education Industry Association
 Education Research Service
 Educational Testing Service
 Gallup
 Headsprout
 Homeroom.com
 Inspirica
 JASON Project
 Kaplan
 LeapFrog
 Mathematica
 MDRC
 Mosaica Education
 National Heritage Academies



Center for Applied Special Technology
National Staff Development Council
Charter School Development
Corporation
NCB Development Corporation
New Teacher Project
Nobel Learning
Nobel Learning Communities
Princeton Review
RAND Corporation
Riverdeep Interactive Learning
RTI
SABIS
Scholastic
Scientific Learning Corporation
Southern Regional Education Bd.
SRI

Standard and Poors
Sylvan Learning Systems
Teach for America
TERC
Tom Snyder Productions
Turner Learning
Tutor.com
UNC/Chapel Hill---National Research
Center on Rural Education Support
Vanderbilt University --- National
Research and Development Center on
School Choice, Competition, and
Achievement
WebED
Westat
New West Technologies
Kauffman and Associates

Addendum

- *Mission, Principles, Priorities & Budget*
- *Observations about Membership Organizations*
- *Membership Benefits, Potential services, Models*

MISSION (APPROVED JULY, 2005)

NEKIA's mission is to advance the development and use of knowledge-based solutions to improve schools and help all students achieve. NEKIA believes that equity and excellence should be the foundation for improving teaching and learning, which must also be fully supported by the effective use of knowledge. The association's members are committed to creating new and better approaches to knowledge use to support education programs and policies at the at the federal, regional, state, tribal, and local levels.

CORE PRINCIPLES (APPROVED JULY, 2005)

NEKIA's mission is supported by four core principles:

Useable Knowledge. Knowledge that is used to shape policy and practice should be derived from the best available empirical evidence, informed by sound professional judgment.

Key Stakeholders. The effective use of knowledge requires on-going collaboration among five stakeholder groups: educators, policymakers, researchers, developers and providers, and intermediaries.

- *Educators* should be involved in all phases of the knowledge development and utilization process.
- *Policymakers* need to develop the capacity to integrate knowledge about effective educational practice into the decisionmaking apparatus.
- *Researchers* should focus on rigor, relevance, and replication in addressing practical questions of effectiveness.
- *Developers and Providers* should use the best available knowledge in developing and delivering their products and services.
- *Intermediaries* should facilitate productive collaborations and relationships among stakeholders, help interpret and disseminate findings, conduct applied research, and provide capacity-building assistance.

Cumulative Processes. Effective knowledge use depends upon exchanges of data and information among the stakeholders, and a continuous process of research, application and adaptation. As knowledge is used and adapted, new knowledge is created and applied in a cumulative, iterative fashion.

High Priority Policies. School improvement policies at the federal, state, and local levels should focus on the effective use of knowledge and create

incentives to stimulate the demand for, and supply of, knowledge-based solutions.

2006 PRIORITIES (APPROVED NOVEMBER 2005)

1. Public Policy: Promote increased investments, favorable policies, and proper implementation in high priority federal programs through effective advocacy and outreach initiatives.

Estimated Time and Resources:

FY 2004: 50%

FY 2005: 55%

FY 2006: 50%

2. Business Development: Enhance business opportunities for NEKIA members by providing industry leadership and promoting knowledge use in the market place.

Estimated Time and Resources:

FY 2004: 40%

FY 2005: 35%

FY 2006: 35%

3. Collective Capacity: Strengthen NEKIA's capacity to advance members' collective interests over the long term through membership development, effective management, and organizational innovation.

Estimated Time and Resources:

FY 2004: 10%

FY 2005: 10%

FY 2006: 15%

2006 GOALS, OBJECTIVES, AND ACTIVITIES

(APPROVED NOV, 2005)

1. Public Policy: Promote increased investments, favorable policies, and proper implementation in high priority federal programs. (objectives in order of priority)

1.1 FY 2007 Appropriations—Advocate for an increase in appropriations levels for designated priority programs by 10% over the FY 2006 levels.

Key Activities:

- Develop position for each relevant funding account,
- Design and implement targeted outreach strategy to Congress, monitor progress,
- Provide accurate and timely information, strategic guidance, and training to designated Policy Action Group representatives.

- Create yearlong master plan for grassroots advocacy
- Convene regular conference calls, ongoing email communications, and at least 2 DC-based working meetings
- Maintain “on call” contact with PAG members for advice and sharing.

1.2 Implementations --- Ensure the favorable implementation of and participation in relevant provisions in Education Sciences Reform Act (ESRA) and No Child Left Behind Act (NCLBA)

Key activities:

- Identify critical implementation issues including the funding and configurations of National R&D Centers, the implementation of agreements for the Comprehensive Centers and the Regional Education Laboratories, relevant report language in FY 2006 appropriations bills.
- Design and implement strategies in problem areas
- Work with key officials at the Department of Education, the Education Sciences Board and the Congress.

1.3 Reauthorizations --- Promote positions on selected issues that affect members’ future business opportunities relating to Higher Education Act (HEA), Perkins Act, and other authorization and policy areas.

Key activities:

- Identify relevant issues and formulate positions
- Establish strategic priorities and advocacy strategies
- Work with coalitions to promote positions

2. Business Development: Enhance business opportunities for NEKIA members by providing industry leadership and promoting knowledge use in the market place.

2.1 Knowledge Use --- Launch a long term strategy for promoting NEKIA’s principles for knowledge use in education

Key Activities

- Seek funding for a long term effort.
- Explore partnerships with industry organizations
- Link NEKIA policy forums with knowledge use concepts
- Revise and re-introduce the Knowledge Utilization Act with balance bi-partisan support in both houses of Congress with an emphasis on eventual passage.
- Revise current proposal involving a wide group of interested experts and interests
- Develop and implement government relations strategy for introducing the bill with bi-participant support
- Create follow up strategy for passage or continued consideration

2.4 Market Expansion and Penetration — Help members penetrate and/or expand share in key markets.

Key Activities:

- Research and identify high potential market niches in government agencies, k-12 school markets, philanthropies, and international areas
- Strategic development --- assist members in accessing new markets as appropriate.
- Convene regular conference calls and annual institute for Business Development Action Group
- Examine ways to enhance business processes in member organizations

3. Collective Capacity: Strengthen NEKIA's capacity to advance members' collective interests over the long term through membership development, effective management, and organizational innovation.

3.1 Membership: Expand and diversify NEKIA's membership based upon industry leadership goals and NEKIA's approved plan

Key Activities:

- Task Force---Re-convene Board task force to identify and reach out to prospects
- Set new targets and recruitment plan based upon the results of the 2005 competitions.

1.2 Operations and Governance— Improve the efficiency of office operations and strengthen governance process with the Board and Executive Committee.

Key Activities

- Use technology and consultants to streamline accounting, budgetary and correspondence processes to relieve paper work burdens and move to a paperless office.
- Continue to identify key areas in the bylaws, policy and procedures in need of updating and revisions,
- Continue to expand the Executive Committee's role in overseeing operating processes,
- Maintain the Board's focus on key strategic issues relating to business development, government relations, and industry development.
- Research short and long term revenue production options that enhance NEKIA's position in the industry and financial stability.
- Develop strategy for full launch by mid-year FY 2006.

3.4 Communications --- Raise public awareness about NEKIA, its members, and the knowledge industry through strategic communications efforts.

Key Activities:

- Media Relations—Generate at least five op ed pieces and 10 positive quotes or references in trade publications
- Events— Conduct at least three events to enhance visibility and credibility of NEKIA as an industry leader.

- Communicators Network--- Conduct annual NEKIA Communicators Institute focusing on communicating in a knowledge utilization era

3.5 Relationships — Expand and/or strengthen collaborative relationships with other Industry organizations

Key Activities:

- Continue active involvement in industry-related strategic alliances including AEP, IEA, CEF, EdLiNC, IGER, OCRE, COSN,
- Explore additional partnerships and co-sponsorships with other industry related organizations, National Academy of Sciences, the US Department of Education, NSF, and other executive agencies.

Nekia FY2006 BUDGET

	2005 PROJECTED	2006 APPROVED	NOTES
Income			
Members - Annual Dues	565,027.30	545,000.00	20 Full Members @\$26K; 5 Assoc. Members @\$5K
Members - Expense Reimb	26,000.00	36,000.00	Rembursements for receptions, meetings, institutes, and calls
From Nekia Comm			
Nekia Comm - Knowl. Use Init.	30,000.00	10,000.00	
Nekia Comm - Management Fee	0.00	23,065.00	\$1,922/Month-Discretionary Draws as Needed
Others - Interest Income	3,450.00	1,850.00	
Others - Rental Income	81,200.00	84,600.00	Rent from subtenants
Total Income	\$705,677.30	\$ 700,515.00	
Expenses			
Advertising & Promo Materials	2,178.00	2,000.00	
Bank Charges & Fees	500.00	450.00	
Computers - Internet Fees	4,500.00	4,500.00	
Computers - Service & Repairs	1,500.00	3,000.00	
Computers - Website Maint	1,500.00	2,000.00	
Consultants	68,920.00	47,000.00	\$42,000: Pending until March 1, 2006
Dues & Subscriptions	9,000.00	7,000.00	
Entertainment & Meals	4,000.00	4,400.00	
Equipment Leases	1,700.00	1,700.00	
Gifts & Awards	1,000.00	800.00	
Insurance - Business	1,536.50	1,500.00	
Insurance - D & O	1,630.00	1,800.00	
Insurance - Health	23,500.00	28,175.00	
insurance - Work Comp	1,100.00	1,400.00	
Interest Expense	100.00	100.00	
Knowledge Util. Init. Expense	30,000.00	10,000.00	
Lobbying Fees	2,000.00	3,800.00	\$2,000: Pending
Meetings - Board of Directors	12,400.00	13,000.00	
Meetings - Other Meetings	19,000.00	30,000.00	Offset on income side by Members Exp Reimbursements
Office Supplies & Expenses	1,500.00	2,000.00	
Payroll - Bonus	8,000.00	5,000.00	\$5,000: Pending
Payroll - Salaries	289,286.00	298,520.00	
Payroll - Taxes	18,000.00	21,530.00	
Pension Contributions	14,464.00	16,640.00	Estimate Based Upon 2005 Projected
Postage & Delivery	1,553.00	1,500.00	
Printing & Copying	500.00	1,000.00	
Professional Development	1,630.00	1,500.00	
Professional Fee - Accounting	17,500.00	17,500.00	\$7,500: Pending
Professional Fee - Legal	500.00	1,000.00	
Professional Fee - Payroll Service	1,600.00	1,600.00	
Professional Fee - Pension Admin	1,500.00	1,850.00	

R&M - Equipment Repairs	1,200.00	500.00	
R&M - Maintenance Contract	1,500.00	2,250.00	
Rent	127,234.00	131,400.00	
Storage Expense	1,000.00	1,200.00	
Taxes & Licenses	5,900.00	5,000.00	
Telephone, Fax & Cellular	7,800.00	8,500.00	
Travel - Local	2,000.00	1,000.00	
Travel - Long Distance	9,000.00	11,000.00	\$3,000: Pending
Utilities	7,500.00	7,400.00	
Total Expenses	\$705,231.50	\$ 700,515.00	
Net	\$445.80	-	

To: Board of Directors
From: Jim Kohlmoos
Subject: Observations about Membership Organizations
Date: February 3, 2006

During the retreat we will be doing a lot of thinking and discussing about the future of the industry and our members and how NEKIA can address future needs and interests. We aim to reach a point on the second day to actually create a vision of NEKIA in the future. And during the Board meeting at the end of the second day we will be making some decisions about specific membership and structural issues in 2006. To give you some ideas for the discussion we have provided below some excerpts from various articles from the American Society for Association Executives.

Associations as a business --- "...There is the need for operating an association as a business: a mission-driven business, but a business nonetheless. Associations have been moving toward a business model for decades. It is the notion of membership, however, that has stubbornly resisted this evolution. Associations still operate with the same model of membership they have always used: developing a basket of goods and selling it as a member benefits package. This model, however, does not jive especially well with the move toward business operations. For one thing, the basket of goods can become so large and cumbersome that it is a financial drain on the organization. Another factor is that a shift in societal values has de-emphasized the need for association membership. But perhaps most important of all is that market expectations and competition have strained the viability of offering a single basket of goods and calling it membership..."

Dues basis --- "...Groups with institutional members handle dues in a variety of ways. Some charge institutions a flat rate, just like individuals, while others are more creative. The Independent Sector (IS), for example, bases dues on an institution's budget in an indirect way. They have determined that salary and benefits are highly correlated to budget, so the IS asks institutional members to determine what they spent on salary and benefits for the past two years, divide that by two and then multiply it by some factor to determine dues. The Association for Governing Boards of Universities and Colleges (AGB) uses the full-time equivalent enrollment of the institution as the dues base. In cases like IS and AGB, minimums and maximums are usually applied to keep things equitable for those on both ends of the distribution curve..."

Revenues --- "... According to ASAE's most recent Association Operating Ratio Report, Tenth Edition, dues represent less than 36% of total revenue for most associations today...collect fees for certain programs like certification or data collection, realize funds from the sale of publications, or possibly hold a trade show or continuing education programs.."

Use of dues --- "...Typically, dues have been used to subsidize services and pay for operating expenses. But most groups find there's a ceiling on what members will pay, and that ceiling doesn't usually allow for all desired activity. Thus, you'll hear almost all nonprofit boards and staff today talking about the importance of non-dues income..."

Fee for service --- "... Look for services that are almost universally needed or desired in your constituency and make them a part of the benefits that come with membership. Make the others part of a "fee for service" program. You may want to set some priorities here, listing services that

you'll offer right away and others that you'll phase in as your growth allows..."

Products and services --- "... Most nonprofit organizations provide two different kinds of products or services. The first are products and services that directly benefit those members (or nonmembers) who purchase them, such as publications, insurance programs, special forms or equipment. The second are other activities the organization engages in that benefit the industry or profession as a whole, such as working for more government funding, favorable tax rulings, reductions in regulation, greater public awareness, and increased quality assurance. These intangible benefits are often the reason the organization was formed in the first place, and to some extent will be subsidized by dues and profits from other direct services. Unfortunately, it is a fact of life that nonmembers who give no support to the organization will benefit equally with members through the successful provision of these services...."

Benefits issue --- "...One way to increase membership is to add a new benefit designed to pull in members on the brink. Associations also are notorious for looking at the fringes of their membership markets and designing new benefits to pull those people in. As a result, associations can easily end up with 20 or 30 items in its basket of membership goods. That's great for selling membership, but onerous for servicing it. "A single member may care about four or five of those member benefits," says Raynes. "The other 20 benefits are just wasted effort on that individual."

Unbundling vs Rebundling Services "...De-emphasizing membership as a key indicator of success for associations leads to the de-emphasis of the basket of goods. Taking it out to the ultimate conclusion would be the exciting but controversial prospect of unbundling membership benefits, a.k.a. cafeteria-style membership or membership á la carte. It's been talked about plenty but rarely put into practice. Sirkin notes that the American Association of Retired Persons has unbundled its membership, but that in general it can be very challenging.

'For a lot of associations, unbundling membership benefits and selling them separately is not a cost-effective solution," she says. "To do that, the association then has to be prepared to market each benefit separately from membership.'

The rebundling model consists of grouping membership benefits into different categories. So, instead of having one basket of membership goods, the association develops several different baskets for different constituents. This differs from strict unbundling, which abandons the idea of baskets of goods altogether, making all association offerings commodities. She points out that each association is different and will operate with its own unique set of circumstances, but a rebundling approach can be a productive strategy for many..."

Value --- "...Value or return on investment for membership dues is the most important factor in joining or remaining a member. It may be the only thing companies care about. With increasing cost-cutting pressures exacerbated by mergers and acquisitions, corporations must fully assess what it costs to belong to anything and what they get in return. At each annual budget exercise, the corporate CFO suggests to the CEO that leaving the trade association is an easier choice than closing a facility or letting employees go. From interaction with peers, it is a phenomenon we will all soon face if we haven't already... all members do not receive the same value I decided we had to devise a dues system that tackled this problem..."

Tiered membership---"... How can you realistically raise dues without adding value and not watch your retention numbers dwindle?" Faced with this question, many associations are rethinking their membership structures. One of the most common structures used by both trade

and professional associations is the fair-share structure where membership categories, benefits, and dues are determined by a specific characteristic of the individual or company. For example, a trade association might determine its company member dues based on annual revenue, and an individual membership organization might set dues based on professional specialty categories. As a result of member discontent with the aforementioned model, more organizations are exploring a tiered membership structure in which membership and subsequently dues are based on membership levels or benefits packages rather than on categories determined by specific demographic criteria. "Embracing one of the fastest growing trends nationwide, more associations are turning to a tiered membership structure to replace outdated dues structures that do not communicate value to members," says Moliterno, who has worked with several organizations in their transition from a fair-share model to a tiered membership structure..."

Financial Ratios Reflect New Realities

By Tracy Casteuble

ASSOCIATION MANAGEMENT, July 2000

Continuing and emerging trends

Member dues revenue continues to decline . As has been the case since the *Operating Ratio Report* was first conducted in 1945, member dues are still the largest single source of association revenue. However, they have occupied a steadily decreasing proportion of total association revenue since 1945. As Figure 1 shows, participating associations in 1945 (all were trade associations at the time) reported that 96.4 percent of their revenue came from membership dues. This proportion declined to 59.5 percent in the 1977 edition of the *Operating Ratio Report*, to 47 percent in 1988 and to 40.2 percent in 1993; it rose to 42.7 percent in the 10th edition. In the 11th edition, dues account for an average of 40.9 percent of total association revenue, representing a 4.2 percent decline in average dues as a percentage of total revenue since the 10th edition.

This general decline in dues as a proportion of total association revenue since the 10th edition is true for associations of nearly every revenue size, membership type, geographic scope, or tax status (see Figure 2). Generally, organizations with the smallest revenue size report increased dues revenue during this period with the one exception being organizations in the \$5-\$10 million category.

Organizational profile relates to dues . One of the main values of the *Operating Ratio Report* is the opportunity it gives organizations to compare budget category details with associations of similar profiles. When it comes to dues revenue, these categories can offer a number of insights.

- *Budget size*. As organizational revenue size increases, dependence on dues generally decreases. For example, in organizations with the smallest revenue size, less than \$500,000, dues account for 54.5 percent of total revenue. In contrast, in organizations with the largest revenue size, more than \$10 million, dues comprise 32.3 percent of association revenue. Economies of scale and a wider array of nondues revenue sources in larger organizations are probably factors in this scenario, although the \$5-10 million category falls slightly outside that presumption.
- *Membership type*. Organizations with corporate members (trade associations) continue to be far more reliant on membership dues than individual membership organizations (IMOs): trades have an average of 46 percent of total association revenue, compared to 35.8 percent for IMOs.

Sources of non dues revenue expand. As in past editions, conventions, educational programs, exhibit fees, and revenue from periodicals continue to be the top nondues sources of revenue, accounting for an average of nearly 26 percent of total association revenue.

Relative to the 10th edition, revenue from conventions in the current edition is in a dead heat, with 8.9 percent of total association revenue. Revenue from educational program fees, however, is up to 9.6 percent from 8.4 percent in the 10th edition, representing more than a 14 percent increase. This fact helps to illustrate the role of associations in professional development in general, since much of what is essential to the reasons that associations exist is accomplished and shared through educational forums. Apparently, too, despite the explosion of electronic information and distance learning options, association leaders still feel the need to meet face-to-face.

In contrast to the 10th edition, revenue from periodicals (subscriptions, advertising, and "other periodical revenue") is down to 5.8 percent from 6.6 percent in the 10th edition. Possible explanations for this could relate to the increased use of electronic publications-and even the fact that some associations have discontinued their magazines and some of their other publications altogether.

Another area of declining revenue (not shown in the figures) in the 11th edition is grants and contracts from both government and non-government sources (4.7 percent vs. 5.7 percent in the 10th edition).

Several expense areas show significant increases since the last report-personnel and meetings. Associations also reported increases in computer and technology expenses and decreases in printing and photocopying expense.

Personnel expenses. By far the largest cost for associations, personnel expenses, has risen 5.9 percent since the 10th edition (an average of 33.7 percent compared to 31.8 percent)... In general, the larger the association, the smaller will be the percentage of total association expenses composed of personnel costs. ..In associations with the smallest revenue size (\$500,000 or less), personnel expenses rise to 38.3 percent of total association revenue... Another indication of the generally increased skill level required of staff and of the need to retain quality workers once in the organization, personnel training and development expenses have risen to 0.6 percent of total association revenue, from 0.2 percent in the 10th edition, a three-fold increase.

Meetings expenses. While meetings revenue has risen (accounting for 25.9 percent of total association revenue, compared to 24.1 percent in the 10th edition), so have expenses. Comparing meeting expense items that appear in the 10th and 11th editions (meals, equipment rental, facilities rental, and speaking fees), the total has risen to 6.8 percent from 5.5 percent.

Technology expenses. ... New questions were added to the 11th edition to identify Web site expenses in the specific areas described as design/maintenance and service bureau. These two line items added 0.4 percent in line item expenses, which parallels a 0.5 percent rise in computers and technology project and activity expenses since the 10th edition.

Printing expenses. Printing and photocopying are major expenses for associations, accounting for 5.8 percent of association revenues, compared to 6.2 percent in the 10th edition. Increased use of the Internet, e-mail, and fax technologies are obvious explanations for the decline in cost... As associations abandon traditional printed member directories for CD-ROM versions, provide print-

on-demand documents on their Web sites, and reduce mass mailings to more targeted electronic and print delivery, this expense reduction should continue...

Expenses by project activity or functional area The largest expenses by project activity continue to be general and administrative (27.8 percent average versus 25.7 percent in the 10th edition); educational programs and seminars (12.6 percent versus 11.8 percent in the 10th edition); conventions (10.4 percent versus the same 10.4 percent in the 10th edition, which included conventions, trade shows, and expositions in the combined total), and membership (8.9 percent versus 8 percent in the 10th edition).

...**What's in the future?** Associations will continue to require skilled and seasoned talent to meet the challenges of the future. It's a future of increased competition from the for-profit and virtual communities that will be offering many of what were once traditional association products. Increasingly, associations will have to capitalize on the one thing that non-membership competition cannot offer: the sense of community and mutual sharing of expertise and interests often developed during a long history of mutually beneficial relationships.

In addition, associations will have to react and produce products and services much more quickly than they have traditionally been accustomed to doing. Along with this imperative will come the necessity of sometimes dropping long-standing favored projects that associations can no longer afford to support. As traditional repositories of information, associations must face the reality of an avalanche of information now available for free on the Internet. Associations that will still be deemed essential by their members are the ones that will not only collect information, but distill, analyze, and repackage it as knowledge. Such organizations will provide members with information on what they need to be doing-as well as the tools necessary to do it.

Endemic to their status as nonprofit organizations, associations have always operated on small margins. They will continue to do so. At the same time, the new economy demands that they take new risks and enter into uncharted territory. The associations that will succeed financially will invest their resources in top-notch, skilled staff who will be given the latitude to develop products and services for members and nonmembers alike. As Diane James reminds: "We must look at our associations and say, 'What kind of organization would I create to compete with what I'm seeing out there?' Then we have to foster and facilitate an open culture, where knowledge is power-and where we recognize that sometimes our financial plans might include the costs of not doing something."

To: Board of Directors
From: Jim Kohlmoos
Subject: Membership Benefits, Potential services, Models
Date: February 3, 2006

As we explore future possibilities during the retreat and seek consensus on several immediate membership issues during the Board meeting, you may want to consider the following pieces of information. You might also want to take a glance at the chart about different membership models and think about which model best fits our culture and needs.

Current NEKIA Institutional Membership Benefits and Services

- Policy and advocacy program
- Business development and industry leadership program
- Capacity Building for members (professional development, networking, partnerships)
- Participation in special interest groups: NEKIA Policy Action Group, NEKIA Communicators Group, NEKIA Business Development Group
- Weekly business development newsletter
- Weekly Washington Update email and bi-weekly conference calls
- Government Relations Handbook, Members Handbook, Members-only web site
- Use of DC office
- One seat on Board of Directors
- Individual consultations, site visits, presentations with NEKIA staff

Additional Services and Benefits (previously considered by NEKIA Board)

Market Research --- Conduct an annual or biannual market analysis

Marketing, Referral, Brokering Services --- Market members' services and products and refer potential clients to appropriate members

Staff Recruitment and Placement Services --- Create a human resources referral and placement service

NEKIA Publishing --- Publish selected members' publications

Discount Administrative services --- Provide discount administrative services (eg shipping, publishing, insurance, travel) through discount volume vendors

Accreditation, Licensing, or Certification or Standardization --- Develop a licensing and/or accreditation service for knowledge use

Conferences, policy forums, online seminars --- Convene high profile conferences and forums on key topics utilizing/showcasing members' expertise

Specialized Members forums --- convene forums for specialized staffs of members (eg CEO, COO, CFO, Academic officers)

Several Possible Association Models

	Boutique	Mall	Consulting firm
Members	Highly specialized	Highly diverse	Mixed
Size	small	Large high volume	Moderate
Dues	High	Moderate	Very high (retainer)
Fees for additional services	Low	moderate	high
Other revenues	Moderate	High and highly diversified	low
Services	Deep into small number of services	Many services with broad appeal	Highly specialized and customized
Culture	Intimate relationship-focused	Networking on volume	Customization based upon need
Governance	Members = Board	Board = diversified	Board = diversified
Staff	Small and generalized	Large and specialized	Moderate and diversified