

Management Audit Gives AFS Headquarters Good Marks, Makes Suggestions for Improvements

By Charles C. Coutant, Peter Bisson, and Paul Brouha

The member on the phone had a challenging question: "What are you doing with all my dues money?" She wasn't the first to ask—nor will she be the last. "Am I getting all I should from my membership dues in the American Fisheries Society (AFS)?" "How do I know that my money is being used efficiently to provide me with the services I want most?" Staff and board members commonly answer such questions, but now their statements are supported by the results of an independent organizational audit of the Society's headquarters and operations. The audit examined AFS operations so the Governing Board and staff could identify opportunities to make the Society more effective, efficient, and responsive to member needs. Conducted by Steve Carey of Association Marketing & Management Resources and focused primarily on administration and finance, the audit also extended into publications, membership recruitment and retention, governance and volunteer management, information management, unit services and education, and development and marketing. Among its main objectives were reviews of (1) the size and structure of the staff to determine if effectiveness could be gained through organizational changes, (2) the use of current information technology by AFS, (3) headquarters operations, (4) operational strengths and weaknesses, (5) financial management, (6) staff performance management and assessment, and (7) the volunteer management structure as well as governance policies and procedures. The consultant worked with members of the staff and the volunteer leadership to make the analysis a joint exercise. The Governing Board acted specifically to increase journal prices and provided \$100,000 to upgrade the computer system; it generally approved

the retreat recommendations that resulted from discussion of the report.

Administration, Grants, Finances, and Personnel

The auditor found that the headquarters staff is the Society's key asset, but members are not aware of its value and functions. Carey recommended more effectively communicating the "true value" of staff as a major membership benefit and urged initiatives to outline the range of resources and tangible services provided to members. Administrative and financial operations of AFS are exemplary, with appropriate policies, security, and controls in each area. Office procedures and personnel manuals are thorough, detailed, and comprehensive. The staff has clearly defined reporting relationships, good job descriptions, and skill levels commensurate with assigned pay grades. More continuing education is needed to sustain high productivity, but in some cases staff are simply taking on much more than can be done because "somebody has to." The auditor recommended staff restructuring along more traditional lines during the next two to three years, including establishment of a director of membership and marketing position, separation of information management from the unit services position, and a manager of education to develop the program.

The performance review system works well and is well understood by staff. It provides yearly feedback to each employee and is tied to the salary increase and bonus system. The salary administration system is adequate and compares compensation with other area jobs—overall AFS is 3%–5% below established means for similar positions in the area, which is very competitive for good staff. Carey recommended adjustments be made for salaries that deviated from the mean to retain and attract the most qualified personnel.

While morale of each department is good, morale of the entire staff is hindered by such problems as having three separate offices in the same complex and infrequent staff meetings. Finally, Carey recommended staff reexamine how the Society's overhead rate is calculated—the 23.47% is far too low (possibly because not everything is considered).

Membership Recruitment and Retention

Good membership tracking and service are keys to recruitment and retention. The audit's recommendations on ways to improve membership services, recruitment, and retention provided strong support for a number of planned or ongoing activities. Other recommendations revealed the importance of having a fresh, unbiased perspective on our efforts to provide the best value for each member dollar. Carey found that AFS does not have an effective membership recruitment and retention program; staff mainly provide maintenance functions.

Noting that AFS is losing some longtime members, Carey urged the Society to continue development of member surveys to assess attitudes and needs and to learn why members leave AFS. Already in the 1997 staff work plan, those surveys are being developed by Tommy Brown of Cornell University and will be conducted shortly. Staff plan to continue the annual survey of nonrenewed members for use in the next year's recruitment and retention campaign, and will expand efforts to identify key prospects from other associations and organizations—both of which were audit recommendations.

Another major recommendation was a dues increase of 8%–10% (above cost of living) per year throughout three years "to create parity with services provided. AFS members are getting a great deal right now," Carey

said. Additional audit recommendations were (1) to develop a membership and prospect segmentation program that enables AFS to target existing and new programs and services to various AFS constituencies; (2) to create a master brochure outlining all benefits (both tangible and intangible) of membership for use in prospect mailings and the retention program; (3) to hire a director of membership and unit relations; and (4) to develop a yearly membership marketing plan that addresses recruitment prospects and implements a retention program.

Strategic and Governance Operations and Volunteer Management

The analysis concluded that AFS has an excellent governance plan. We have a clear program of work and a methodically thought-out schedule. The consultant said he thought AFS probably falls within the upper 10% of professional organizations with regard to strategic planning. However, he did recognize a need for a better means of tracking strategy and project implementation. Thus, he recommended a system of project assignment and integration that would provide a mechanism of tracking projects and linking them to budgets. This system would include a way to put relevant documents together and make them accessible for monitoring. Information from the tracking system could be used to update periodic reports by the staff to the Governing Board.

A second conclusion was that the AFS governance structure is large and unwieldy, making it difficult to manage. Carey recommended the size of the Special Management Committee be reviewed after one year because it is too large to efficiently handle governance activities. He also noted that the Governing Board is large, and contentious issues are not easily or quickly resolved. Carey suggested that key AFS staff and volunteer leaders visit other professional organizations to compare governance structures and effectiveness. For example, the American Speech Management Association has 40,000 members, but a governing board of only 10 officers.

One current weakness of AFS governance is unequal representation of units. For example, the Western Division holds nearly half of the total membership, but its vote counts the same as smaller Divisions. Small Sections (those that just barely make the 200-member requirement for the Section representative to have a board vote) have the same voting power as large Sections. The consultant recommended that AFS establish

Are We the Best We Can Be?

All of us in the American Fisheries Society (AFS)—volunteer leaders, staff, and members—have wondered whether our Society's office operates as effectively as it could. It has grown and adapted over the years with changes in functions and people. How does our setup compare in function and efficiency with other nonprofit professional associations? The officers, Executive Director Paul Brouha, and the Special Management Committee decided to get some outside advice. We now have a consultant's report (summarized in the accompanying article and available from the office), and we want you to know about it and what we are doing with it.

After receiving the report in January, the Governing Board held a day-long retreat at its March meeting. Consultant Steve Carey discussed his findings, and I led the Governing Board and staff in a topic-by-topic strategy session. Pete Bisson, president-elect of the Western Division, served as our recorder and helped write the main article. Although Carey didn't "get it" for a few of our activities and missed some things we are already doing or planning, he was perceptive for many others and gave sensible advice. The retreat saw three general categories of recommendations: "Just-do-it" items that by consensus we asked Paul Brouha to carry out, other things that we agreed should be done but that needed some planning and formal board action, and still others that we needed to study more thoroughly. A detailed implementation plan is being developed in time for Governing Board consideration at the Monterey, California, annual meeting.

Here's the flavor of what is happening so far. **Administration:** We're taking renewed pride in the true value of our staff and the office's organization, and are planning ways to highlight staff resources and services. Staff duties are being rearranged according to the recommendations, and more staff meetings are facilitating internal communication. **Membership:** We're developing membership surveys and will get demographic, geographic, and other information on members' niches so we can better meet their specific needs. We're studying dues increases, perhaps tied incrementally to specific member services. A consultant will help us further develop a recruitment and retention plan. **Governance:** We're continuing to test the Special Management Committee as a way to simplify our Society's representative governance. The Western Division is evaluating its potential subdivision, and our semiannual leadership training course will be upgraded. We continue to build coalitions with other organizations. **Units/Information Management/Education:** Unit support and information management functions in the office have been separated into two positions. The board authorized up to \$100,000 for acquisition of a new computer system, associated software, and staff training (computers are purchased; training has started). Continuing education listings were highlighted in the July *Fisheries*, with more Society-level courses to be planned. **Publications:** Carey's recommendations were radical, and we're studying them. Our Publications Overview Committee and the new membership survey will guide us in any changes to *Fisheries* (there was strong support for the current magazine in a 1996 readership survey). We are carefully studying electronic publishing but are not ready to make a big leap using only current staff and financial resources. The Governing Board acted to increase subscription rates for journals by 6% for 1998 and to tie automatic increases thereafter to the Consumer Price Index. How we choose, produce, and price book projects is being carefully reviewed. **Development and marketing:** Essentially all recommendations are being carried out, including hiring of a manager of development.

I hope you will agree that we're not just filing this report on the shelf. We will never be the perfect society for all fisheries and aquatic folks, but we're trying!

—Charles C. "Chuck" Coutant

several more Divisions and redistribute Chapters to create parity in governance. For instance, he thought the Western Division should be split into two or more smaller Divisions. He also recommended an external governance study to reduce layering and increase communication and efficiency. Finally he recommended creation of a "Section Council" that would have two to three seats on the Governing Board (or raising the number of members Sections must have to vote).

Volunteer management can be improved, according to the analysis, by making sure volunteers clearly understand job assignments. Carey suggested that assignments be reviewed within each unit at the start of every year so everyone understands where he or she fits within the unit's plan of work.

Regarding international operations, the audit report noted that AFS has put forth comparatively little effort to recruit new members from outside the United States or North America. In addition, a greater effort should be made to recruit key leaders from outside the United States and North America into AFS governance so their needs can be better met.

The consultant said that current AFS policy on advocacy is not being used effectively. He recommended that the Society participate in coalitions with other organizations by providing data and scientific assessment, and by being proactive in matters directly affecting members.

Unit Services, Information Management, and Education Operations

The consultant believed information management needs to be better coordinated across all AFS units and functions. He recommended purchasing an integrated association management computer system and contracting an auditor and marketing consultant to help implement the system. The unit services position has been separated from information management and moved to the Membership Department as recommended. Finally, Carey said AFS should become much more involved in sponsoring and promoting continuing education to its members at the Society level. His analysis revealed that AFS has done little to sponsor

educational events at the Society level, although Carey acknowledged that Sections, Divisions, and Chapters have done much more. The consultant suggested that AFS assess the educational activities (workshops, short courses, videotapes, etc.) of all units and develop a broad educational strategy. He further recommended that the Society consider packaging 10-20 educational programs for use by various units and that revenues from such projects be shared after AFS shoulders the cost of development.

Publications

Many of the auditor's recommendations would change the scope and format of AFS publications. The consultant recommended that the Society explore ways to streamline the publication process and cut costs, e.g., publish on inexpensive, nonarchival-quality paper. He thought we should begin planning in earnest for the new generation of Internet-literate fisheries professionals by exploring electronic publishing and considering whether and/or which journals would be published on the Internet. The consultant claimed that in 20 years paper publications will be almost completely gone and that AFS should be anticipating this eventuality. The following recommendations by the consultant pertained to specific AFS publications:

Fisheries should be either significantly shortened or turned into a newsletter, and some articles moved into AFS technical journals. The consultant, failing to understand that the magazine is a member service underwritten by dues, claimed that *Fisheries* is currently operating at a "deficit" and should "at least break even"—something the consultant felt could be achieved if it were redesigned as a newsletter with significantly more advertising and short, concise articles of general interest.

Journals should investigate advertising to make the journals more profitable; consider analyzing the costs and benefits of combining AFS technical journals, evaluate costs and benefits of electronic publishing; and increase subscription prices to generate more revenue, with half being invested in electronic publication.

The Society's ability to produce books with current staff and financial resources has reached its maximum.

The auditor suggested that the Society make sure it has adequate staffing before gearing up for additional book production. If more books are desired, money from reserves should be invested so staff can produce books that market research shows are really needed. Because some AFS books have cost more to produce than was generated in sales revenues, books should receive better financial planning at the outset.

Development and Marketing Operations

The auditor found that, since its inception in 1991, the Development Department's activity has not resulted in sufficient net revenue to justify the staff and Society resources devoted to it. Further, there is no current funding plan that ties into the AFS strategic plan—a plan is needed. While a good database has been developed on funding activities and prospects, and volunteer involvement has been strong, there seems to be confusion among members between the AFS 2000 campaign and annual fund-raising activities for projects and general contributions. Carey also noted that while the marketing and advertising manager works well with all departments, this activity also suffers from the lack of a comprehensive marketing strategy or implementation plan that is tied to the Society's strategic plan. He recommended that staff not combine the deputy director and development director positions, that development staff be hired to work in conjunction with a fund-raising firm to conduct development activities, and that hiring a deputy director be delayed for at least one year until new systems are in place, appropriate research and actions have been taken, and the financial base has been solidified.

Implementation of Recommendations

The executive director, officers, and Governing Board are working on implementing those recommendations that would benefit the Society (see box). Eight major and seven minor audit recommendations have already been implemented, and 20 major and 11 minor recommendations are in the 1997 staff performance plan. A draft implementation plan is scheduled to be ready for board consideration at the Monterey, California, meeting. 