THE DNA OF TOP-PERFORMING MEMBER ORGANIZATIONS

APRIL 2019
After decades of working closely with associations across the performance spectrum, researchers and consultants from McKinley Advisors set out to discover how top-performing membership organizations were producing above average results. We wanted to know the role staff, board leadership and other internal and external factors played in the success of associations. Our approach was an in-depth study of 11 organizations that have received the highest marks from their members in our research. While there is no single “formula” for creating a top-performing organization, we found that these organizations share several fundamental traits.

THE DNA OF TOP-PERFORMING ASSOCIATIONS

Grounded in Member Service
These associations foster strong emotional connections with and between their members by ensuring two-way dialogue, delivering strong local value, backing up their words with actions and maintaining a relentless focus on the member.

Leadership in Action
“Servant leadership” defines the culture of these organizations, while a commitment to continuous, data-informed improvement defines the everyday work.

Strategy Drives Success
Strategy is more than a plan — it’s the act of making critical decisions. These associations apply discipline to their decision making process, forecast and plan for the future, and take an intentional and data-informed approach to their product and services portfolio.
ACKNOWLEDGMENTS

Thank you to the 13 participants who shared their perspectives and experiences in leading top-performing organizations.

DAVID AKRIDGE, CAE
Deputy Executive Director
American Inns of Court (AIC)

LAUREEN ROWLAND, CAE
Executive Director
American Society of Ophthalmic Administrators (ASOA)

THOMAS REISER
Executive Director
International Society on Thrombosis and Haemostasis (ISTH)

CELESTE KIRSCHNER, MHSA, CAE
Chief Executive Officer
Large Urology Group Practice Association (LUGPA)

KATHY PARTAIN, CAE
Vice President, Membership and Marketing
Military Officers Association of America (MOAA)

JULIE HUEBSCH
Senior Data Analyst
Military Officers Association of America (MOAA)

KARIN NELSON JAROS
Director of Membership
The Morton Arboretum (Morton)

SCOTT ARTMAN, CPA, CGMA
Executive Director
National Association of Tax Professionals (NATP)

JENNIFER VAN ELZEN
Director, Member Relations & Analytics
National Association of Tax Professionals (NATP)

JEFF SHIELDS, FASAE, CAE
President and Chief Executive Officer
National Business Officers Association (NBOA)

HEATHER HOERLE
Executive Director and Chief Executive Officer
The Enrollment Management Association (EMA)

MICHAEL GEARY, CAE
Chief Executive Officer
Society for Marketing Professional Services (SMPS)

JENNIFER WHITTINGTON, CAE
Executive Director
University Risk Management and Insurance Association (URMIA)
From the charitable organization to the professional society to the trade association, the top-performing organizations in this study share one common purpose: to serve members. While some of the participants engage stakeholders well beyond the current membership and some are less likely to stray from their core audiences, all of these organizations recognize the importance of an engaged and satisfied membership. In fact, six of the interviewees cited it as one of the most important factors in ensuring organizational success. And with such strong performance metrics, these organizations have results that speak for themselves.

### Necessity of Two-Way Dialogue

So how do these top-performing organizations create cultures and communities that deliver tangible value while fostering strong emotional connections? Kathy Partain, CAE, vice president of membership and marketing at the Military Officers Association of America (MOAA), described the necessity of two-way dialogue. Listening to members’ needs through research and acting on the results of that research ranked highest in priority. Jennifer Whittington, CAE, executive director of the University Risk Management and Insurance Association (URMIA), added that supporting members should always be top of mind: “First, you have to always take care of your members and never forget that you’re a member-based organization. We exist for them. We’ve always had a customer-centric approach to everything we do ... We collect data on who they are, what they need, and it really helps us meet their needs.”

### Local Membership and Engagement

The American Inns of Court (AIC) places emphasis on membership and engagement at the local level. By its very nature, this type of delivery can present challenges as it spans dozens — or even hundreds — of local entities, each with its own unique history, volunteer leader dynamics and resources. This challenge has spurred AIC to bring more rigor to its membership strategy and tactics. David Akridge, CAE, AIC’s deputy executive director, explained: “Our board set as its highest priority to define a quality [Inns of Court] membership experience and figure out how to spread that experience. There was not as much inconsistency [across the Inns] as we had feared, which is what allowed us to identify the six key attributes of the experience. Establishing that as a need and priority has already paid some dividends for us.”

### Words and Action

Many of these organizations are steadfast in their commitment to meeting members where they are, ensuring that the organization mirrors the values of the industry, reminding members why they chose to enter the profession, and providing a hub of knowledge for members to learn from the organization and their peers. Heather Hoerle, executive director and CEO of the Enrollment Management Association (EMA), explained the declining enrollments that many of her member schools are facing and how the association strives to guide its members through actions and not simply words. Together, EMA and its members are working on raising the bar for the field. “We’re so in the midst of talking about service and doing things to attract people to our schools that we’re teaching what we are trying to practice. We have to be a model for our community. We learn from our members and our members learn from us. We’re always looking to raise the bar.”
LEADERSHIP IN ACTION

After decades of work with nonprofit organizations, we have witnessed and come to believe in the power of leadership; so we intentionally structured our research in a way that would uncover insights into the participating organizations and the individuals who lead them. In the following section, we outline some of the unique characteristics that set these leaders apart.

It’s common for aspiring association leaders to think the goal is to emulate someone else, but it’s much more about being yourself. When you are truly an authentic leader, the moves you make have a much higher chance of being successful.

— Jeff Shields, FASAE, CAE, President and CEO, National Business Officers Association

1 SERVANT LEADERSHIP

Just as the study participants maintain highly member-centric approaches to their priorities and work, the leaders of these 11 organizations often prioritize others over any personal accumulation of power — an approach commonly referred to as “servant leadership.” Michael Geary, CAE, CEO of the Society for Marketing Professional Services (SMPS), reflected on his leadership style and how it has evolved: “When I first started, it was making sure I knew everyone and what was going on. Once I became established and tenured, to be successful I needed to get out of the way and let staff do their own things.” Jeff Shields, FASAE, CAE, president and CEO of the National Business Officers Association (NBOA), echoed this point, noting the importance of knowing when to drive and when to let others drive. “Leaders who can move organizations forward and answer not all, but enough questions, can be successful.”

In addition to a strong dedication to staff, these leaders maintain a servant leader mindset with their volunteer leaders and see this deliberate approach as critical to their organizations’ success. Across the 11 interviews, participants emphasized the importance of cultivating a healthy and trusting relationship with the board, with an emphasis on fostering trust.

1 The phrase “servant leadership” was coined by Robert K. Greenleaf in The Servant as Leader, an essay published in 1970. In that essay, Greenleaf described a servant leader as someone who focuses primarily on the growth and well-being of people rather than the accumulation of power.
to have critical conversations. For URMIA and the International Society on Thrombosis and Haemostasis (ISTH), an additional priority has been ensuring that the right individuals are serving on the board and creating opportunities to know each individual’s strengths, preferences and expectations. “The governance model, and the relationship between the chief volunteer and chief staff person, has to be solid and continuous. I get to know each chief leader as a person. We talk about their goals in the context of broader organizational goals,” Whittington shared. Thomas Reiser, executive director at ISTH, explained: “Leadership’s excitement and engagement is key. An organization needs to be intentional to get the best, most committed and most influential people involved. Then you create a group that can make things happen.”

Given the theme of servant leadership, it is not surprising that five of the 13 interviewees mentioned humility as an important factor in the ability to lead a top-performing organization. More importantly, nearly all of the participants embodied this trait during the interview process, a trend that further underscores the tendency of these leaders to put others first. Whittington shared, “Humility is an aspect of quiet leadership. You let volunteers play their role, but as an executive director you have to keep the balls in the air and keep everything moving in a forward direction.”

Beneath their tendencies to dismiss credit and describe their organizations as constant “works in progress,” these leaders reflect a deep commitment to improvement. But how do they foster innovation while preserving the necessary tenacity and discipline in areas where the organization must stay the course?

The answer lies in how these organizations measure performance. The top-performing organizations in our study not only conduct research; they conduct research in ongoing, disciplined ways to monitor their performance and take action based on those results. Celeste Kirschner, MHSA, CAE, CEO of the Large Urology Group Practice Association (LUGPA) described it succinctly: “Try to avoid mission creep to justify new programs just because ‘everyone else’ is doing it.” Karin Nelson Jaros, director of membership at the Morton Arboretum — a public garden and outdoor museum in Chicago with the second highest membership among similar organizations in the U.S. — described her lack of surprise at learning that Morton was a top performer in the study: “I have known that we score relatively high because our member satisfaction and assessment surveys consistently give us such high marks.” Jaros went on to attribute “data-driven decision making” as critical to her organization’s success. Another organization that is committed to ongoing research and applying data to inform future direction and work is ISTH. Reiser acknowledged the
The prior strategic plan adopted by ASOA listed goals and objectives but no tactics or responsible parties, which made things very difficult from an operational viewpoint and for future planning. Our new strategic planning exercise resulted in new mission and vision statements as well as a list of core values and strategic imperatives with actionable items. Having this new plan in place has fostered a renewed sense of purpose, excitement and energy from both a staff and leadership perspective.

— Laureen Rowland, CAE, Executive Director, American Society of Ophthalmic Administrators

STRATEGY DRIVES SUCCESS

If data and leadership are the oars that move these top-performing organizations forward, strategy is the boat in which everyone sits. Whether it’s traditional strategic planning, defining the “why,” or long-term forecasting and scenario building, these organizations understand that strategy is the act of making choices. Here are some ways these top-performing organizations have made strategy a fundamental tool to achieving continuous improvement and success.
Six of the 11 participating organizations cited strategic planning as one of the most important steps to ensuring success. Interviewees noted that effective planning puts intentionality in their practices and processes, and results in greater impact, stronger organizational commitment and more effective decision making. Yet it is clear from our research that there is no one-size-fits-all approach to strategic planning.

**Strategy as a Road Map**

Describing his organization’s approach to strategic planning, Scott Artman, CPA, CGMA, executive director at the National Association of Tax Professionals (NATP) noted, “When I came on, we developed a longer-term strategy that focused on the members and where we wanted to go with the organization. Our strategy map shows how we support members and staff, and how it furthers the organization as a result.” Jennifer Van Elzen, director of member relations & analytics at NATP, expanded on how the roadmap has boosted staff commitment and morale: “Having [the strategic plan] has made coming to work fun and exciting ... It enables us to move forward with projects that we have never attempted before.” Artman added, “I like hearing Jen say that. If something gets prioritized over something else, the strategy map makes it easier to understand why.”

**Keeping the Plan Front and Center**

For NBOA, the emphasis is on discipline. Shields shared, “We know our core: who we are, what we do, who we serve. That’s my main advice. Know your lane and stay in it. The more narrowly an association’s mission is defined, the better it will do.”

**Prioritizing Against the Plan**

Kirschner cautioned, “If you don’t know why you’re doing something, you’ll just be climbing an uphill battle. You can get blinded by opportunities, but if it doesn’t make sense to the ‘why’ of your organization, you shouldn’t be doing it.”

**Enabling Flexibility**

A strategic plan is not only good for the direction it provides but for the space it creates and the confidence it fosters in staff to adapt. Whittington shared, “Stay nimble enough to make small adjustments but respect the strategic plan to stay on course.”
Ten years ago, the U.S. was in the midst of the Great Recession — an economic catastrophe that affected all sectors and professions, and rippled down to the associations that represent them. This was relatively uncharted ground for most associations and they struggled to course-correct as the very foundations that supported their membership structures, business models and other dynamics were being challenged. Many nonprofit organizations got leaner, more focused, smarter and more committed to forecasting and planning for whatever might lie ahead. In other words, they applied strategy to their long-term forecasting and planning.

The importance of long-range planning for sustainable growth was explicitly referenced by two organizations, Morton and ISTH. Jaros acknowledged that Morton has grown significantly, but also gave insight into the intentionality of that growth — both the pace and direction of growth. Reiser attributed ISTH’s success in part to its ability to measure and recognize its current success, but also utilize planning to increase the likelihood of future success: “We’re proactive. When you look forward five or 10 years, it might look very different so we ask ourselves, ‘how can we take advantage of the momentum we have right now?’”

“We’ve cleaned up our strategies, our brand, our staff’s work. When you look back, there was a determination to get our act together and be sustainable for the future. There’s no new product; it’s everything. Reinventing is a good word; it’s applicable. We got focused.”

— Michael Geary, CAE, CEO, Society for Marketing Professional Services
PRODUCT AND SERVICES STRATEGY

It is no surprise that the **product and service portfolio is another area where strategy comes squarely into play** for many of these top-performing organizations. Webinars, articles, annual meeting sessions and discussion boards are replete with stories of marketing staff who struggle to hit target numbers when a committee is responsible for product development, or a staff member finally runs some numbers and finds that a product has been priced below breakeven for years. For the organizations in our study, creating a more intentional and datainformed approach to the product and services portfolio has been essential.

Laureen Rowland, CAE, executive director of the American Society of Ophthalmic Administrators (ASOA), described one of her first experiences in her leadership role: “I opened up the file cabinet and there was a full drawer of papers labeled ‘future projects’ that had ideas written on them. The board brought various ideas up during meetings as a ‘let’s do this’ which then got tossed into the drawer never to be seen again. From that point forward, we adopted a ‘no more than three new or revised initiatives approach’ during our annual planning meeting.” Shields also acknowledged the importance of creating a framework to support idea generation and innovation: “We budget for innovation every year. It’s like the CEO’s special projects fund. It’s not a fixed number either. We invest in new programs, research and other things. If [the concept] is successful, it moves to operations.”
In an effort to better define roles and responsibilities and honor the unique contribution of its board, **SMPS redesigned its governance structure.** The outcome? A reduction in board meetings, an opportunity for the board president to provide input on each agenda and outside facilitation support to have focused conversations and avoid the trap of “meeting just to meet.”

**2**  
ASOA and NBOA have launched **enhanced data and analytics resources** in response to member feedback. ASOAnalytics® helps ophthalmic practice professionals access the data necessary to benchmark performance and make informed decisions. NBOA’s BIIS (pronounced “Biz,” an acronym for Business Intelligence for Independent Schools) is a signature data collection tool that provides a comprehensive look at independent schools’ financial health, sustainability and staffing.

**3**  
At EMA, new leadership represented an opportunity for change—all the way down to the office walls. With a belief that “the little things add up,” staff hired **an interior designer and repainted** their walls a bright and cheery orange.

**4**  
MOAA’s membership model is particularly innovative—**complimentary, premium and life membership options** and a suite of tangible and intangible benefits that drive participation and loyalty.

**5**  
Recognizing the threat of an aging membership, URMIA hired a retired risk manager as a part-time subject matter expert. Since then, they hired another retiree and are **constantly looking for ways to empower retired members** to stay active.

**6**  
While the concept of a customer service center is not new, NATP’s approach to staffing and managing the center stands out. Artman and Van Elzen described the organization’s **customer focus as fundamental to its success**, with the team representing an extension of that commitment. Artman explained, “I look at Jen’s team and they’re the face of the organization. The people there really do want to help our members ... It’s not just a matter of reading a script.”
LESSONS LEARNED AND LOOKING TO THE FUTURE

With obvious humility and emotional intelligence, these leaders were quick to acknowledge and share their lessons learned. Some cited *rushed decision making* and a *lack of data to inform decisions*. Underestimating the importance of relationship building was another theme for five of the 11 participating organizations, with the interviewees pointing to the importance of strong staff, volunteer leaders and member relationships more specifically.

The participants easily translated these lessons learned into advice for their peers. Listening to the member or customer and trusting one’s instincts to make calculated risks and decisions were the two most common responses. As Akridge summarized, “As long as our members’ expectations are aligned with our mission, that’s all we need to let the members drive the bus.” Partain encouraged others to “take calculated risks.” And both Reiser and Shields talked about the personal nature of leadership and how it is important to have passion for the work while ensuring that you can do it well.

So where are these organizations headed next? We asked the interviewees to share their organizations’ future priorities, which are highlighted in the following chart.

![Chart: What are some priorities that your association is focused on for the next one to three years?](chart)

Other priorities mentioned by the participants included diversity and inclusion, succession planning, content development and delivery, and launching an outcomes-based chapter excellence program.
CONCLUSION

While there is no single formula or roadmap for creating a high-performing organization, the characteristics and priorities of the organizations we studied provide insight into where investments are likely to deliver the greatest returns. From the indisputable impact of good leadership to the importance of establishing and maintaining clear focus, these top-performing organizations are both deliberate and bold in how they affect true change. What we can learn from their words and actions is exciting — both for our organizations and for the members and stakeholders we serve.

APPENDIX

METHODOLOGY

Three key performance indicators (KPI) were measured for each organization as criteria and qualifications for their “top performance.” From that analysis, we identified the top-performing organizations and conducted interviews with the CEOs or senior staff at 11 of those organizations. The charts that follow display blinded results for each organization featured in this report. The “2018 average” is provided for additional context. It was calculated by averaging the respective KPI scores for all organizations McKinley worked with in 2018. One of the primary key indicators of performance for any organization is member satisfaction.

Satisfaction
% of members responding satisfied

This measure is based on the question, “overall, how satisfied are you with your [organization] membership?” Respondents are then given a five-point scale, with one being “not at all satisfied” and five being “extremely satisfied.” In this sense, satisfaction tells us about the quality, reliability and fulfillment that members experience.
Value to cost is another core indicator of an organization’s performance and is a measure of how members perceive the worth of membership compared to the cost of dues. It is built around the question, “based on what you pay in dues, would you say the value you receive from [organization] membership is: far greater than the cost of membership, somewhat greater than the cost of membership, equal to the cost of membership, somewhat less than the cost of membership, or far less than the cost of membership.” Survey respondents that select “far greater” or “somewhat greater” denote membership value. Member value percentages for all but one organization in this study are included below.

The final performance indicator taken into consideration for this report is the “Net Promoter Score®,” (NPS) developed by Satmetrix. The NPS is a common measure of customer loyalty used across industries and sectors of the economy. It is based on a single survey question, “How likely would you be to recommend [company/organization] to a friend or colleague?” which is asked on an 11-point scale, that ranges from “zero: not at all likely to recommend” to “10: extremely likely to recommend.” Survey respondents that provide a nine or 10 are deemed to be promoters, meaning that they express a high degree of loyalty to the brand and are likely to speak favorably and recommend it. Respondents that give a response of zero through six are considered detractors, a label that reflects that these individuals may be likely to provide unfavorable “word-of-mouth” for the brand. Those giving a seven or eight are considered passive (unlikely to promote or detract). The NPS is calculated by subtracting the total percentage of detractors from the percentage of promoters and can range from -100 to +100. The NPS for each organization in this study is displayed below, with the horizontal bar displaying the 2018 average.
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For more information about this report, McKinley, or the services we provide, please contact:

**Shelley Sanner, CAE**
Senior Vice President, Industry Relations
ssanner@mckinley-advisors.com | 202.831.4672