



Business Associations for the 21st Century



Center for International Private Enterprise



The **Center for International Private Enterprise (CIPE)** strengthens democracy around the globe through private enterprise and market-oriented reform. CIPE is one of the four core institutes of the National Endowment for Democracy and an affiliate of the U.S. Chamber of Commerce. Since 1983, CIPE has worked with business leaders, policymakers, and civil society to build the institutions vital to a democratic society. CIPE's key program areas include enterprise ecosystems, democratic governance, business advocacy, and anti-corruption & ethics.

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Introduction

Business Associations for the 21st Century is a business association management guide developed by the Center for International Private Enterprise (CIPE) to help business owners and managers around the world build a stronger and more favorable business climate through effective programs and the advocacy efforts of a successful business association.

Even in the most competitive environments, there are challenges and obstacles that all business owners commonly face. They can only be overcome when the business community works together.

The essence of a business association is to help business owners overcome the challenges and obstacles they are unable to address alone. Moreover, beyond benefiting member business, associations' work has a key multiplier effect on improving the commercial, governmental, and economic institutions of a given country.

**Note: The term "association" in this book is used to designate all types of business membership organizations including chambers of commerce, trade groups, and professional societies.*

Private vs. Public Law Business Associations

Public law business associations refer to organizations that are formed as a branch or under strict control of a government or regulatory agency and whose members often are required to join by law. Examples may include chambers of commerce that operate under a specific Chamber Law.

This guide is for the use of private law business associations. These are organizations that are formed privately (not under a governmental mandate) as a non-profit association and whose members decide to pay dues and join voluntarily.

Therefore, the importance of the role that associations play in modern economies and societies cannot be overstated. Business, trade, and professional associations in the private sector help shape economies by

making them more efficient and transparent through the establishment of better regulations and standards.

Open and inclusive associations will be viewed as trustworthy and credible. It is important that they welcome members that represent potentially different points of view in order to build stronger programs and services based on cooperation and productive compromise. By working together through associations, businesses can not only better address shared problems collectively and benefit the economy but also help improve the quality of governance in their country through constructive engagement with decision-makers on policy issues. This open, transparent, and inclusive public-private dialogue plays a crucial role in the democratic development of countries.

This guide is designed to provide business associations and their leaders with some best practices and practical tools to help executives, especially those in emerging markets, run their organizations more efficiently and effectively.

Each chapter covers a particular topic or area of competence that is crucial to creating a successful organization and includes:

- A goal and objectives;
- A description of the concept and examples; and
- A checklist to help apply the concept within an organization.

This guide also includes a set of worksheets designed to help readers develop a strategy and financial plan for their organization in an easy and efficient manner. CIPE hopes that *Business Associations for the 21st Century* will be used as a practical resource that can be referred to often as a business association grows.

CIPE works with the business community to put real economic solutions in the hands of decision-makers and strengthen democracy around the world through private enterprise and market-oriented reform. In partnering with associations, think tanks, media groups, and other civil society organizations, CIPE brings a wealth of knowledge from over 30 years of experience having conducted 1,300 reform programs in more than 100 countries.

CIPE provides technical expertise to local partner organizations, helping build the capacity of business associations and chambers of commerce and strengthening private sector advocacy in a variety of emerging and frontier markets.

In CIPE's experience, sustainable and strong business associations are important – especially in transition economies – to address a host of key issues:

—> **Democratic Governance**

Strong democratic governance is characterized by transparency and accountability in both the public and private sectors. An open, participatory governance process responds to citizen and business needs, resulting in better and fairer government policies. Business associations can advocate economic reforms and strengthen judicial systems to increase effectiveness and efficiency of governance.

—> **Enterprise Ecosystems**

Building the institutions of a market economy means reducing barriers to doing business and promoting an inclusive entrepreneurial culture that provides opportunities for all citizens. By prioritizing the development of enterprise ecosystems, CIPE works to establish a level playing field for entrepreneurs. Through its inclusive approach to entrepreneurship and policy engagement, CIPE helps ensure that democracy and the market economy are accessible to all segments of society.

—> **Business Advocacy**

CIPE works to empower the private sector to actively participate in the democratic process through partnerships with local business associations, chambers of commerce, and think tanks. Using advocacy tools such as coalition building, grassroots outreach, and the national business agenda process gives a voice to a wide range of private sector needs and helps to encourage strong, inclusive economic growth while bolstering democracy.

—> **Anti-Corruption & Ethics**

Systemic corruption erodes the legitimacy of laws and political leadership and makes a flourishing economy impossible. CIPE and its partners combat corruption by improving integrity standards, advocating policies that limit opportunities for corruption, and designing institutional reforms that level the playing field. CIPE helps the business community take collective action both in the public arena by advancing public sector reform and transparency in government, and in the private sector itself by strengthening compliance systems of companies.

Working together, private sector business associations and CIPE have had a meaningful and positive impact on countries, regions, individuals, and businesses to create a safer and more prosperous world. If you have questions or would like to contact CIPE experts regarding any aspect of business association capacity building, please reach out to:

forum@CIPE.org.

About CIPE

The Center for International Private Enterprise (CIPE) strengthens democracy around the globe through private enterprise and market-oriented reform. CIPE is one of the four core institutes of the National Endowment for Democracy and an affiliate of the U.S. Chamber of Commerce. Since 1983, CIPE has worked with business leaders, policymakers, and civil society to build the institutions vital to a democratic society. CIPE's key program areas include enterprise ecosystems, business advocacy, democratic governance, and anti-corruption & ethics.

CIPE operates at the intersection of democratic and market reforms. By including the business community in the reform process, CIPE helps put real, locally-driven economic solutions in the hands of decision-makers.

CIPE has been at the forefront of key reform initiatives in countries around the world, engaging business in policy reform, removing barriers to participation for historically underrepresented groups, strengthening governance processes, building the capacity of civil society, improving the quality of economic legislation, and reducing corruption.

CIPE forms partnerships with local organizations, including independent business associations and voluntary chambers of commerce, and develops programs that have local ownership. In developing a program strategy, CIPE focuses on the root causes of the key problems that countries face (including corruption, lack of jobs, and poor functioning of public services) and works to remedy the underlying causes.

Terms Used in the Guide

Words can have many meanings. The following descriptions should provide a common understanding of the terms used to describe business associations, their structure and the roles of the people that are involved:

Accrual Accounting

The accrual accounting method records income, liabilities and expenses when they are incurred.

Advocacy

This defines the actions that the business association takes on behalf of its members to influence and support public policy decisions (laws, rules and regulations) that are in the best interests of the membership as a whole. This can include the support of new laws or requesting the change, elimination, or better implementation of existing laws and regulations.

Ambassador

In the context of a business association, this is a member who volunteers to donate his or her time to assist with various activities, usually to help promote member recruitment and retention. An ambassador serves as a liaison between the association staff and membership.

Articles of Incorporation

This is the document that legally establishes the business association and that includes, among other things, its purpose, governance structure, election procedures, membership criteria, and legal structure (i.e. typically as a non-profit entity under the local laws where it is established; in countries where the rights and activities of non-profits are limited, a for-profit structure may be the only available option for a business organizations). In some countries these are referred to as the “Bylaws,” although typically articles of incorporation and bylaws are two separate documents required for a business association to be registered, and the articles of incorporation contain less information/detail than bylaws.

Board of Directors

This is the group of volunteers that has been elected by the association members according to the procedures and rules written in the business association's articles of incorporation or bylaws. This may be called the Administrative Council (conseil d' administration) or Vorstand in some countries. This group of volunteers is drawn from the existing membership and is legally responsible for the overall governance and management of the business association, specifically to develop a strategy and strategic plan, establish a budget, and to delegate responsibilities for the day to day operations of the organization to the Chief Staff Officer or Secretary General and other volunteers.

Business Association

This is a formal organization of businesses that is represented by its owners or managers and that is usually formed as a non-profit organization. A business association typically is open to and represents any business that meets the membership criteria to join on a voluntary basis. This means that companies that compete in the marketplace cooperate inside the business association. Some business associations also allow individuals to join as members.

Bylaws

These are rules and procedures that govern how the business association will be governed and run. In some cases these are used as the "Articles of Incorporation." In other cases, bylaws are agreed in addition to Articles of Incorporation in order to provide more detail on policies and procedures for the organization. See Appendix 2 for sample bylaws.

Cash Accounting

The cash accounting method records income and expenses as and when they are actually paid.

Chairman/woman/person (Chief Elected Officer)

This is the highest ranking elected volunteer and the person that leads the Board of Directors. This person is ultimately responsible for the proper governance of the business association and fulfilling its mission.

Chief Staff Officer

This person is paid by the business association and is responsible for the day-to-day management of the operations of the organization, including the hiring, management and dismissal of other staff as well as the day-to-day management of the finances of the organization. This person may have the title "President," "Secretary General" or "Executive Director."

**Note: Some organizations use the term “President” to refer to the Chief Elected Officer (as in President of the Board of Directors), in which case another name is used for the Chief Staff Officer. Chief Staff Officer should also not be confused with a person responsible for staff issues – Human Resources Manager (if such a role exists in an association).*

Committee

A committee is a permanent or semi-permanent structure with a specific set of responsibilities that is needed on an ongoing basis for more than one year. Examples of typical permanent committees include: Finance, Nominations, Government Affairs, and Standards. Committees should only be established where there is a clear need and the role is a long-term requirement for the organization.

Executive Director

In some parts of the world, this refers to the Chief Staff Officer, the person that is paid by the business association to run the day-to-day operations and that is responsible for the management of any other staff.

For-Profit

This is a form of legal incorporation for businesses whose purpose is to derive a profit for the owners or shareholders. This is the most common form of business and is referred to by many different names in different parts of the world (Inc., SA, GmbH, LLC, etc.).

Governance

This describes the responsibility that the Board of Directors has towards the business association, its members, the government and the general public to run the organization in a proper, legal, ethical and professional manner. It includes the responsibility of the Board of Directors to stay informed about the status of the organization, to develop a budget and financial controls, to hold regular meetings and to enforce the agreed policies, procedures and bylaws of the association.

Members

Any person, company or organization that meets the membership criteria written into the bylaws or articles of incorporation of the business association and that has paid the current membership fees in full.

Non-Profit

This is a legal form of incorporation that is available in many, but not all, countries around the world. It is a formal recognition by the national government that a non-profit organization provides some specific benefit to the public and therefore is exempt from income or other taxes that normally apply to for-profit ventures.

President

In some cases, this refers to the Chief Elected Officer, in which case the Chief Staff Officer will have another title. In other cases, this refers to the Chief Staff Officer.

Professional Association

This is an association that represents a specific profession or sector and whose members are individual people as opposed to businesses or organizations (e.g., an association of nurses, engineers, pilots, architects).

Public Policy

Defines the overall approach of governments at a national, regional or local level to developing laws and regulations in order to achieve some specific objective. Examples can include policies, laws and regulations on issues of taxation, health and safety, competition and monopolies or public health. For business associations, the focus will be on public policies that have a direct impact on their members.

Secretary General

In some parts of the world, this refers to the Chief Staff Officer, the executive that is paid by the business association to run the day-to-day operations of the organization and that is responsible for the management of any other staff. This title is most typically used in chambers of commerce and other large business associations; smaller organizations usually prefer the title “Executive Director.”

Task Force

A task force is a small group of volunteers that is organized to address a very specific topic for a specific period of time. Once the purpose of the task force has been achieved, the group is disbanded. A task force is an effective structure to achieve a well-defined task that does not repeat itself year after year and is preferable to establishing a permanent committee whenever possible.

Trade Association

This type of organization is similar to a business association with the exception that a trade association represents a specific industry or sector (e.g., all steel makers, chemical producers, transport companies). A business association represents the general business community as opposed to a specific industry or sector.

Volunteer

Any person who works for the business association in an official or approved capacity and is not compensated or paid. (Note: Volunteers are not paid for their time but they may be reimbursed expenses that are a direct and required part of their volunteer tasks.)

1

The Importance of Strategic Planning

Having a well-constructed strategy is the difference between success and failure for a business association. Strategy is the road map from where you are today to where you want your organization to be in the future. Whether you are just starting a new organization or your business association has been in existence for many years, a strategy, financial plan, and budget for your organization is a necessity.

Having a strategic plan that covers the next three to five years helps your organization make better and consistent decisions. Volunteer leaders will change over time but your mission and vision should be stable. A strategy and a sound financial plan will save future volunteer leaders from having to reinvent the organization every time the Board of Directors changes.

What are the elements of a strategy?

Defining your mission, vision, and purpose — This may sound like the most basic and simple task but clearly defining why your organization exists is a crucial step. If it is not entirely clear to you what your mission and purpose is, it will not be clear to anyone else. Fortunately, the overall purpose of business associations is fairly straightforward. The details of which priorities you focus on will depend on your local business environment. However, the common objectives are often similar:

- To create better opportunities for member companies to grow their business.
- To support regulations and legislation that help member businesses operate better.
- To protect the interests of member companies, their employees, and their customers.
- To promote a better and more transparent legal, regulatory, and business environment so that companies can compete on a level and fair playing field.

Your mission and long-term goals derived from it should not change frequently. If you find that you are changing or questioning your mission and goals often, then they need to be refined and likely simplified. It is better to have a few well-defined and clear goals instead of a long list of things you hope to achieve.

Objectives and success metrics — Once you have identified your mission and long-term goals, it is necessary to translate this into measurable objectives in order to develop a plan of action. Objectives can be clearly measured and have a specific timeline. For example, an objective can

be to recruit 20 percent of all businesses of a certain size in your market to become members in your business association within three years. This is specific and measurable (assuming you know how many businesses fit your membership criteria) and has a clear deadline.

For each of your organization's goals, can you think of some specific measurable objectives that would show that you are achieving your goals?

Here is an example of how to translate a goal into objectives:

Goal

To help members learn from one another to make their businesses more efficient, effective, and competitive.

Objectives

- a) To establish a code of ethics that member companies agree to follow to show buyers that our members are trustworthy business partners. To create the code within six months and to have member companies comply with the code of ethics within 12 months.
- b) To have a workshop once every three months delivered by member companies on how they have successfully exported their products; including how they developed the market and navigated the export and import regulations. To launch this education series within six months.
- c) To develop and launch a marketing campaign to highlight member companies that have achieved business awards or achieved standards (like ISO 9000) and to raise awareness of all member companies. To be launched within 12 months.

When creating a strategy for an association, it is important to review the strategy on a regular basis and to compare results with stated objectives. It is also important to break the objectives down further into tasks and assign responsibility for who, how, and what resources will be responsible for advancing each task under each objective.

Creating a Strategic Plan

There are many resources available on how to develop a strategic plan. Below you will find an approach that can be used by business associations to create a strategy:

- 1 Define your target audience**

Does your business association represent every type, size, and form of business in your country, or does it represent a specific segment of the business community? Is the association based on size of revenue, number of employees, geographic location (local, regional or national)? It is very important to clearly define who the association intends to represent. This makes it more efficient for member recruitment efforts and it allows prospective members to know if they can identify with your association. It also allows you to set clear membership criteria.
- 2 Identify the greatest needs of your membership**

Members will join your business association when they understand a clear benefit that is important to them. It is therefore crucial for the business association to understand what is important to members and potential members. Identification of member needs is an ongoing process and one of the most important tasks for the association to perform to stay relevant and successful. You can use membership surveys and interviews to gain this information.
- 3 Identify key stakeholders**

There will be organizations that share your objectives—potential partners—as well as organizations that may work against you. There are also key decision-makers, such as the government and legislators, who will have a direct impact on your members. These stakeholders may be allies who share your views or they may not. In either case, it is important that a business association identifies all of the key stakeholders and their positions, in order to develop a working relationship with them.
- 4 Define what the association can do (i.e. programs and benefits) to address the needs of the members**

Defining programs and benefits is the bridge between what members need and how the association delivers tangible benefits to them. Your services and activities may include a potentially long list: networking, education, advocacy, training, trade missions, etc. It is key from a strategy perspective that programs and services be aligned to the needs of members. This means adding programs when new needs arise as well as ending programs and services when they are no longer needed.

5 Define the cost structure needed to deliver your programs (staff, marketing, administration, etc.)

Once you have defined your program of services, it is important to understand what it will take to deliver those services in a professional and reliable manner. It is crucial to understand all of your costs. Many associations get into financial difficulties when they do not fully account for their costs and have to either cancel promised programs, reduce staff or in extreme cases can no longer operate and must close their operations.

6 Define your income sources (e.g., membership dues, sponsorships, program revenues, publications, advertising)

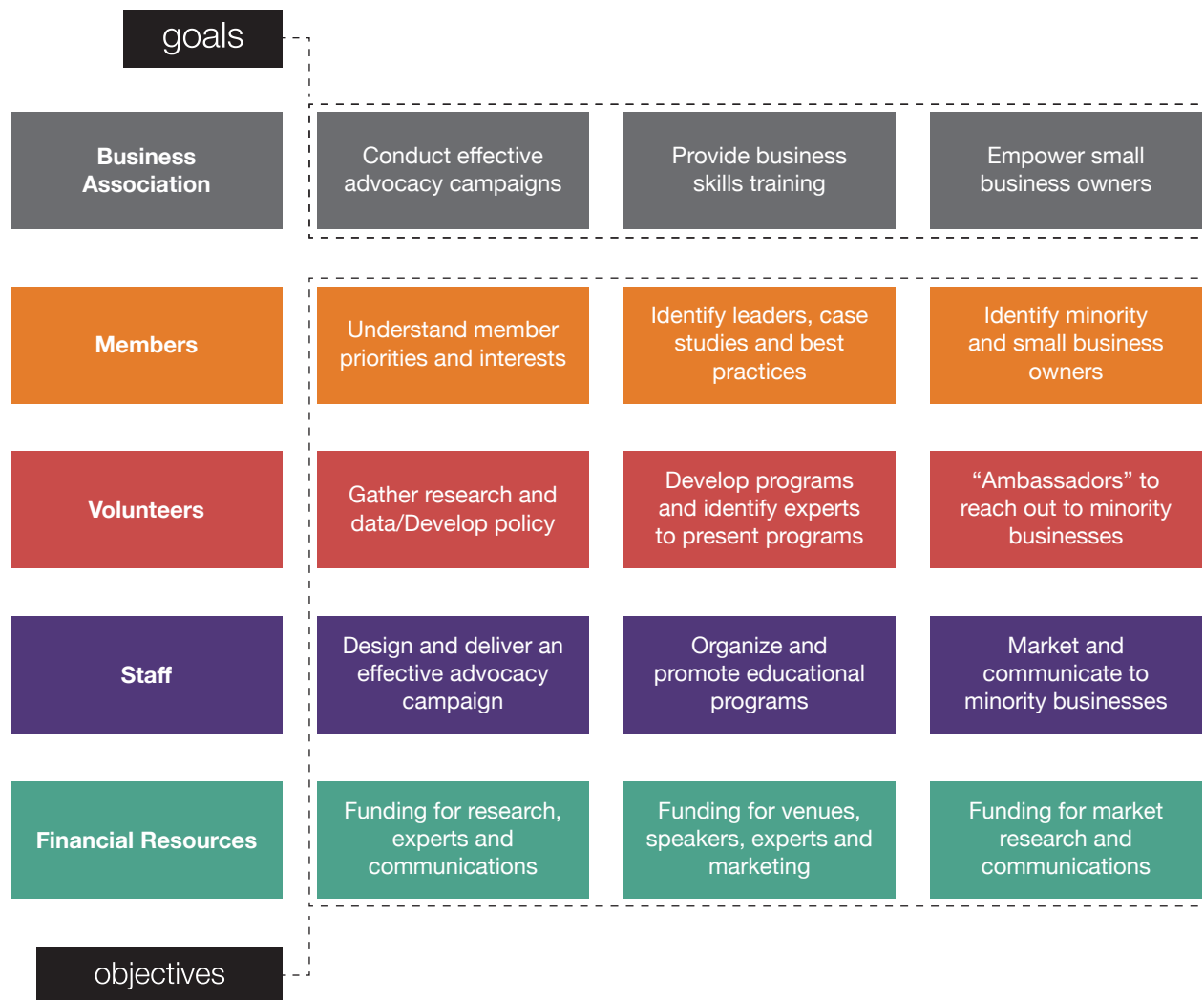
Having defined the needs of members, the programs and services that you will deliver, and the costs of delivering them, you next need to identify sources of revenue. Even though your business association is likely formed as a “non-profit” entity, it does not mean that your goal should be to just “break-even” or to not have a surplus. In fact, the greater your sources of revenue, the greater the range and quantity of services that you can provide for your members. Furthermore, it is important for your association to build financial reserves to allow for unforeseen expenses or future shortfalls in income. Best practices recommend that an association maintains at least three to six months of its annual revenue as reserves. Financial reserves in excess of one year’s income should be reinvested in membership services.

When making your strategic plan, you should look at a three to five year planning horizon. Some of your program services may require more than one full year to develop. Therefore, you need a long-term plan and need to understand if you will have the finances to realize your objectives.

Here is an example of what an association's mission, goals, and objectives might look like from the perspective of your members, volunteers, staff, and financial resources (budgets).

Mission

To create better opportunities for member companies to grow their businesses



** Note: It is impossible to anticipate everything in your strategic plan. There will be opportunities and obstacles that appear without warning that your business association will need to address. For example, you may decide to not plan for any policy advocacy for the current year because no policy initiatives have happened in several years. But then a new draft tax law may appear that will greatly impact your membership. Your business association will need to take action even though it was not planned.*

When a new issue appears, you can follow the previously mentioned strategic planning steps to quickly assess how you should (and can) react:

Issue

A new law was introduced to greatly increase the tax rate for medium and large businesses.

Define the target audience

Determine if this issue affects your members. Does it affect all of them? If not, how many members does it affect?

Identify the greatest needs of your membership

How does this issue affect members? Is the impact quantifiable? How important is the issue? If urgent, what is the timeline?

Identify key stakeholders

Who else does this issue impact? Is it possible to work together with other affected groups to have a greater chance of success? Who are the key decision-makers that will determine if the law is passed? Are there other groups or stakeholders who will influence the outcome? Do you have an existing relationship with any of these groups?

Define what the association can do to address the needs of members

This is where you will need the input of your members, volunteers and staff to design a program of action to address a given issue. What can the association do to address the issue? Be sure to identify all actions that you feel need be taken including time and resource allotment for working with other partners and communicating with members on the issue.

Define the cost structure needed to deliver your programs

Once you have defined your program of services to address this issue, you will need to define a budget to deliver those services in a professional and reliable manner. If the existing budget allows you to cover those services, you can advance to implementation. If your budget does not cover them, you will need to identify additional revenue sources.

Define your income sources

Having determined that your existing budget is not sufficient to provide the services to address this new issue, you will have a decision to make. If you have reserves you may decide that this issue is important enough to use them. Another option is to ask your members to make a payment specifically for the implementation of the new program of services to address the new legislation. In this case, it will be important to communicate to your members why the new funds are needed and how they will be used. A third option is to deem the issue not substantive enough to use reserves or member contributions. If it is determined that the issue is not substantive enough, you can decide to not act at this time and use already existing resources to address the issue as best you can.

The value of strategic planning and decision-making is not only that it helps you to establish what to do, but it also helps you to identify when you should say no. A business association must be careful not to squander valuable time and resources on activities that do not relate to its core mission. If it is not clear how a particular project, proposal, or partner relates to the core mission, a business association should gracefully decline and focus on its priority programs.

Strategic Planning Checklist

- Have you clearly defined who your members and prospective members are?
- Do you understand what the most important goals are for your membership?
 - Do you know what the main obstacles are that they face?
- Do you know who the main stakeholders are?
 - Do you know which ones share similar objectives to your organization?
 - Do you know if any of the stakeholders or decision-makers oppose your organization or compete with you?
- Do you know who the main decision-makers are (legislators, regulators, and governmental departments) and do you have a relationship with them?
 - Do you know what their positions are on important issues for your members?
- Have you defined specific programs, services and activities that address directly the needs of your members?
- Do you know what it will cost (in terms of all of your costs) to deliver the services you have defined? This has to include all administrative, office services, staff, communications, Information Technology (IT), etc.
- Have you identified sufficient sources of revenue to sustainably run your organization?
 - Have you allocated revenues to be put into reserves and savings?
 - Have you budgeted conservatively and not overestimated your income?

2

Governance

Governance describes a set of responsibilities that are held by each and every member of the business association's board of directors. These responsibilities translate into how the association is run and determine whether it fulfills its goals.

At a minimum, governance responsibilities should include:

- Complying with all applicable laws and regulations;
- Defining the mission, vision, and strategy of the organization;
- Safeguarding the finances of the organization;
- Hiring staff or otherwise delegating and overseeing the day-to-day management of the organization.

Legally, this responsibility is defined as a fiduciary responsibility that a member of a board of directors* has towards the membership in a business association. Specifically, a fiduciary (board member) has a duty of care to act in the best interest of the members that have elected them to the board of directors. It is important therefore when making decisions for the association that board members consider what will be in the best interest of all of the members and not just their own or other specific companies or organizations.

**The board of directors is the group of volunteers that has been elected by the association members according to the articles of incorporation and is the highest governing authority. This body may be called by other names depending on specific country laws, for example, the Administrative Council (conseil d'administration), Administrative Board, Management Board or Vorstand.*

Typically, the membership collectively forms the highest governing body of the association because it has the power to elect the members of the board of directors, to establish or change the articles of incorporation, and ultimately to dissolve the organization. These important powers are often described in local law regarding the rights of the members that form the organization.

The articles of incorporation and bylaws also describe the structure of the board of directors including the officers and, in some cases, permanent committees or sub-groups. See Appendix 2 for sample bylaws. Business associations should follow current best practices to ensure that the

organization is professionally managed and that the members of the board fulfill their fiduciary obligations, and to reduce operational risk for the organization.

Good governance best practices include:

- Acting in the best interest of all members of the business association in an ethical and fair manner;
- Complying with local law regarding the management and operation of the business association, including laws regarding taxation, financial reporting, bribery, competition laws, and any other regulations that apply;
- Non-discrimination (not excluding individuals or companies on the basis of religion, ethnicity, gender or political affiliation);
- Diversity and inclusion, including members of minority groups and communities, women, and different political affiliations contributing alternative views and insights;
- Safeguarding and exercising prudent management over the association's resources and staff, e.g. by developing and respecting budgets and employment contracts;
- Not acting with personal interests in mind and declaring real or potential conflicts of interest.*

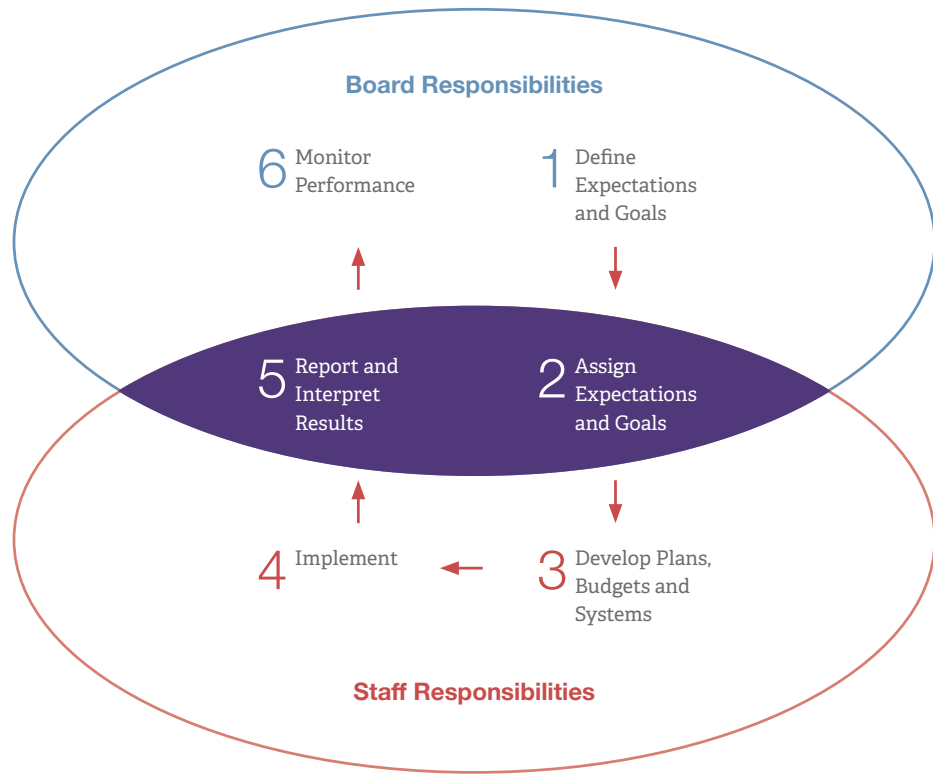
Note: It is crucial that association members, the government, and the general public trust that a business association and its Board of Directors are not acting solely in their own personal interests. This includes avoiding real or potential conflicts of interest. A **conflict of interest occurs when a decision taken on behalf of the business association will result in a direct benefit to one or more members of the board over the interests of other members of the organization. For example, a board member cannot vote on awarding a contract that will be paid to him/herself or his/her company. If a board member feels that there might be a conflict of interest in a particular matter then the correct way to proceed is to make the conflict known to the board and to then excuse oneself from debating or voting on the matter related to the conflict.*

The role of the Board of Directors versus the role of staff

It is important for the effective running of your organization to understand the difference in responsibilities between the elected board of directors and that of any paid staff. In associations that do not have paid staff, there still needs to be a distinction between the governance role of a board of directors and the implementation role of volunteers that are delivering programs, content, and events for the association.

The following diagram helps to illustrate the different roles for the board and staff as well as where they overlap and interface.

Governance and Management



- 1 Define Expectations and Goals**

It is the board's responsibility to determine the mission, vision, strategy, and goals based on the needs of the membership. This also includes defining a budget that will include financial goals as well as setting expectations for membership recruitment and retention, meeting attendance, and advocacy objectives.
- 2 Assign Expectations and Goals**

Once the board has defined the mission, vision, strategy, and goals based on the needs of the membership, each goal will need to be assigned either to staff or volunteers in order to create an annual action plan. Goals cannot happen without the actions of staff and/or volunteers. The board may decide to establish a task force or sub-committee to handle a specific project (for example, a task force to develop a position paper on a particular piece of legislation or a sub-committee to develop content for a training event).
- 3 Develop Plans, Budgets, and Systems**

Once the goals have been assigned, it is up to the people who have been assigned responsibilities to develop a plan of action for achieving the set goals. For example, a Chief Staff Officer will develop a plan for each major area of responsibility assigned to the staff team, along with a budget for

review and approval by the board of directors. He/she will also develop a membership recruitment and retention program to meet membership goals. This program will include a budget for staff, marketing materials, a website, etc.

4 **Implement**

Once the annual action plans and budgets have been developed and approved, it is up to the responsible parties (staff and/or volunteers) to implement their action plans. **NOTE:** It is important that the board of directors delegates responsibilities to staff or volunteers and does not get involved in the detailed implementation of the projects. Organizations where the members of the board are also partaking in implementation usually do not perform well. Governance and implementation are two different responsibilities; the board is responsible for governance, while staff and volunteers are responsible for implementation.

5 **Report and Interpret Results**

It is crucial for staff and volunteers responsible for implementation to report the results of their efforts to the board of directors on a regular basis (e.g., monthly). At the same time, it is the responsibility of the board to be aware of what is happening in the organization and to compare results with the stated goals and objectives.

6 **Monitor Performance**

The board of directors must use the information they receive from staff and volunteers involved in implementation, to compare the current status with the objectives. They must also consider any additional information that has an impact on the mission, vision, and strategy of the organization. This information, in turn, is then used to set the goals and objectives for the next year.

It is imperative that everyone within an organization – board, staff and volunteers – works together to achieve the stated mission, vision, and strategic objectives. It is equally important that each of these different groups respects the roles of one another.

Sample structure for a non-profit board of directors

There is no one correct or perfect form for a business association's board of directors but there are some common characteristics that apply to most.

General Assembly (voting members)

The highest degree of power and authority is the body of the voting members. It is the voting members that have the power to change the articles of incorporation and it is the voting members that elect the board of directors. According to the description contained in the articles of incorporation, the members assign to the board of directors the responsibility and the authority to manage the day-to-day activities of the organization. This is what creates the fiduciary relationship and duties for the members of the board and what makes the board members accountable to the general assembly. The board in turn can delegate the management activities to a Chief Staff Officer (although the board cannot delegate its legal responsibilities).

Typically, the general assembly will meet once per year to decide on major decisions as well as to discharge the board for the previous year's results (i.e. to approve or disapprove the final financial accounts).

Board of Directors

The members of the board are elected by the voting members of the association, usually with elections held every one to four years, depending on the terms of the offices and how many positions are held. Within the board of directors, there is a minimum number of officers elected according to the articles of incorporation or bylaws. Typically, these will include:

- **Chairman/woman of the Board**
Elected by the membership, and serves as the Chief Elected Officer and highest ranking volunteer. This person chairs the meetings of the board and is the official representative of the organization.
- **Chair Elect**
This is typically a member of the board that has been elected by the membership to serve as the next chair. Usually, this person will serve as the chair elect for a period of one year before taking the office of the chair in order to prepare for those responsibilities.
- **Secretary**
This person is responsible for keeping the official records of the organization and for making sure that the association files the necessary reports to maintain its legal registration in good standing. The secretary

is also responsible for taking and keeping the official minutes of the board meetings as well as maintaining the roster and terms of the volunteers.

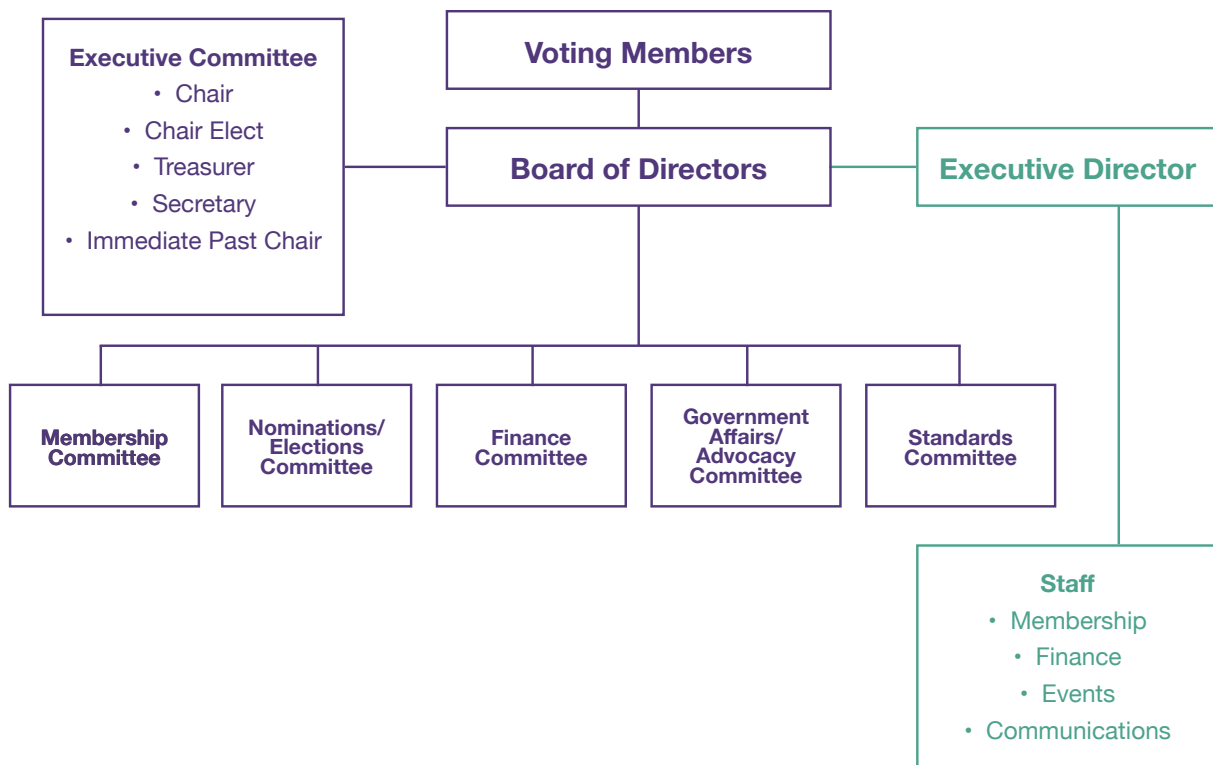
→ **Treasurer**

This person is responsible for the accurate and up-to-date record keeping of the association's finances as well as the development and adherence to an annual budget. In addition, the treasurer is responsible for having checks and balances in place to ensure that the association's finances and accounts are properly managed and safeguarded.

→ **Immediate Past Chair**

This position is assumed automatically when the previous chair's term has ended and is usually held until the next current chair finishes his or her term of office.

The positions of chair, chair elect, secretary, treasurer, and immediate past chair often constitute the executive committee. In some cases, the executive committee will meet more often than the full board of directors in order to handle association business in a timely manner, especially when there is a large board of directors and board meetings are held sporadically through the year. Typically, all decisions of the executive committee are reviewed and ratified (or not) by the board at its next official meeting. This allows the association to work faster and more efficiently.



Size of the Board of Directors

There is no rule regarding the minimum or maximum size of the board other than the minimum number of positions required by law. It is important for the efficient functioning of the board that there are enough volunteers in positions who can deliver the necessary oversight and decision-making capacity for your organization to succeed. However, boards that become too large may have a high number of volunteers who enjoy the prestige of being a board member but do not contribute as they should.

Best practices in this area recommend that a board always be composed of an odd number of members to avoid deadlock decisions (e.g. 7, 9, or 11 members). Best practices also recommend that the board does not exceed 15 members. If you have a larger number of people that want to be involved in advancing the business association, there are always worthwhile projects, task forces, or committees on which they can serve. Keep in mind that it is not wise to expand the size of your board just to accommodate everyone who wants a position. Instead, the size of your board should match the needs of the organization in order to work effectively and obtain optimum results for your membership.

Committees and Task Forces

Most business associations make use of committees and task force teams to work on specific tasks and topics. This can be an effective way to engage members in the work of the association and to accomplish more than is possible with just staff or the board alone.

Committees are established when there are consistent long-term needs. Examples of long-term committees and structures used in business associations include:

- ➔ **Finance Committee**
Responsible for preparing the annual budget, making sure that the finances of the organization are managed and properly recorded, and preparing an annual statement of the accounts. This committee is chaired by the treasurer.
- ➔ **Nominations/Elections Committee**
Responsible for recruiting and vetting candidates to hold volunteer positions, and for managing the elections for the board of directors. Often

this committee is chaired by the immediate past chair of the board. Other members are volunteers who do not sit on the current board of directors and are not potential candidates for office. This committee ensures that elections are held in compliance with the association's bylaws.

→ **Government Affairs and Advocacy Committee**

Responsible for identifying, researching, and setting the legislative and advocacy topics that the association will pursue. This committee should be chaired by an individual who has relevant experience and current contacts in government and understands the legislative process. Other members might include former government staff, policy experts, or lawyers who can help draft position papers.

→ **Membership Committee**

Members are the lifeblood of an association, and therefore inclusive member recruitment and retention should always be a priority. This committee is responsible for designing programs and benefits for members. It will design membership surveys to understand member needs, define the list of benefits members receive, and develop membership recruitment and retention programs. The membership committee should be chaired by an individual who has a deep understanding of the membership experience and is an enthusiastic supporter of the association.

→ **Standards Committee**

Where it is applicable, this group will focus on the development and application of business and quality standards for members of the association. Standards can refer to business practices (such as ISO 9000), ethical standards, or quality standards. This committee should be chaired by an individual who understands how standards are developed and deployed.

There are other types of committees that you may want to form for your association. It is important that a committee has a very clear objective, that the objective relates directly to your strategic plan, and that you assign a chair of the committee who has the necessary knowledge, skills, and motivation to make the committee successful.

Task forces and project teams are very effective structures when there is a specific topic to be addressed in a defined period of time. Once the objective or purpose of the task force or project team has been achieved, the group is dissolved.

When possible, it is better to use task forces and project teams to accomplish a task instead of forming a permanent committee.

Capacity Building of Private Sector Organizations in Pakistan

CIPE has worked with chambers of commerce and business associations in Pakistan since 2006 to encourage private sector participation in the policymaking process and to promote economic reform. CIPE has provided advocacy training, conferences and workshops to board members and staff on topics including chamber management, governance, membership development and revenue generation.

CIPE's work has built better managed organizations and fostered a stronger chamber movement in Pakistan. A 2013 survey of 18 chambers of commerce and trade associations that participated in CIPE's capacity building programs found that their institutional capacity has increased, evident in the overall decline in staff turnover, increased membership retention, improved finances, and an increased focus on policy advocacy. Second, the survey found that 10 percent of chambers conduct their own membership surveys, improving their ability to serve their members. What is more, six of the 18 organizations had taken stock of their internal structure and eliminated ineffective and unnecessary committees.

CIPE's Pakistan office also worked with the Federation of Pakistan Chambers of Commerce and Industry (FPCCI) and the Ministry of Commerce to reform the 1961 Trade Organizations Ordinance legislation that prohibited women from legally forming their own chambers of commerce and business associations. In 2006, the law was changed to allow the formation of women's business organizations. The new law enhanced freedom of association and created new self-governance mechanisms for chambers and associations.

Crucially for women entrepreneurs, the 2006 Ordinance also compelled all regional chambers to induct at least two women members onto their boards and allowed for the creation of women's chambers of commerce. There are now 60 female board members in regional chambers and eight women's chambers have been

registered, with an approximate membership of over 2,000. The revised law gave women entrepreneurs a voice in the economy and policymaking.

CIPE's capacity building programs, workshops, and consultative sessions have helped board members develop the skills and tools needed to ensure sustainability, increase membership, and effectively advocate for policy reform.

One of the flagship annual events organized by the CIPE Pakistan office is a Secretary Generals Conference, which brings together representatives from chambers and associations across Pakistan. Topics covered by the conference include roles of chambers of commerce and business associations in Pakistan, organizational vision and mission, designing effective human resource practices, establishing financial management procedures and dealing with donor grants, and membership development among others. These events create a network of reform-minded private sector practitioners who learn from one another and exchange new ideas and their visions for the future.

Finally, CIPE Pakistan helps in local advocacy efforts to facilitate the passage of business friendly legislation and create a better economic environment. Examples of advocacy efforts include recommendations to reduce the cost of doing business, promote the informal sector, simplify the tax regime, and lower taxes.

Learn more:

2013 & 2014 CIPE Pakistan Activities Report

R. Grossman & M. Schleifer (2016). "The Long Road of Economic and Democratic Reform: Marking Ten Years of CIPE in Pakistan," CIPE

Job Descriptions (recommended)

It important and helpful to have written job descriptions for every volunteer and staff position in an organization. Confusion over who is responsible for what activities can lead to conflict and is inefficient. It will make transitioning new volunteers and staff easier and more effective if everyone has a clear understanding of the different job descriptions for an organization.

Job descriptions should include the following information:

Job title

It should clearly reflect the area of responsibility and is defined either in the articles of incorporation or in the bylaws.

Term of office

State how long a single term lasts and how many times the person is eligible for re-election or appointment.

Responsible to

Identify to whom the position reports or is accountable; for example, the Treasurer reports to the Executive Committee.

Responsible for

Identify any persons or positions that directly report to this person; for example, the chair is responsible for each of the members of the board of directors.

Scope of responsibility

This should be a detailed description of the duties and responsibilities of the position. It should be sufficiently clear and complete so that someone that is not familiar with the position can read it and understand what they are supposed to do in the position.

Meeting and reporting obligations

State how many meetings and how often the person is required to attend in-person or virtually and how often the person is required to prepare and deliver a formal report for their area of responsibility.

Treasurer Job Description (Sample)

The following is an example of what a job description might look like for the treasurer of a business association.

Job title	Treasurer
Term of office	The term of office is two (2) years and the officer is eligible for re-election for another two (2) terms or a total of six years.
Responsible to	The treasurer reports to the executive committee.
Responsible for	The treasurer oversees the activities of the finance committee and oversees the financial reporting provided by the chief staff officer.
Scope of responsibility	<p>The treasurer is responsible for performing the following duties*:</p> <ul style="list-style-type: none"> <input type="checkbox"/> Developing the annual budget and submitting it to the executive committee and the board of directors. The budget should be approved no later than 90 days before the next fiscal period begins. <input type="checkbox"/> Ensuring that financial controls are in place to prevent misuse of the association's funds (for example: ensuring that at least two people have oversight of financial transactions and that annual audits are conducted). <input type="checkbox"/> Monitoring all procedures for the receipt and distribution of all funds due to and held by the association. <input type="checkbox"/> Providing financial reports to the board at each meeting, clearly reflecting the financial position of the association including all current and long-term indebtedness, the association's cash position, and other such details. <input type="checkbox"/> Ensuring that an audit is conducted of the association's books annually. <input type="checkbox"/> Serving as signatory on all bank accounts belonging to the association. <input type="checkbox"/> Participating in a preliminary review of the audit report with the association's accounting firm prior to its presentation to the board of directors.

**In most cases, a staff person will prepare the information and reports for the treasurer. However, the treasurer is still responsible for making sure the reports are correct and that they are presented to the board.*

Treasurer Job Description (Sample - continued)

Meeting and reporting obligations

The treasurer is expected to attend each official meeting of the board of directors in person. In addition, the treasurer will attend each official meeting of the executive committee.

The treasurer will organize and chair at least four meetings of the finance committee during the calendar year.

The treasurer will prepare a monthly finance report that includes at a minimum the following information:

→ **Operating Statement (profit and loss statement or P/L)**

This statement shows the amount of revenue and expenses for the most recent reporting period and the resulting surplus or deficit (profit or loss). These figures will be compared to the amounts that are in the annual budget to determine how much they exceed or fall short of the planned amounts.

→ **Balance Sheet**

This is a snapshot of the current financial status of the organization, taking into account all assets (cash on hand, stock, amounts due to be received, etc.) and liabilities (amounts owed but not yet paid).

→ **Cash Flow Statement**

This report is a projection of the current amount of cash on hand against forecasts of income expected on certain dates and expenses and payments expected to be made on certain dates. Monitoring cash flow is key to ensuring that the organization can meet its financial obligations on time.

Good Governance Checklist

- Do you understand the laws that govern the formation and operation of a business association in your country?
- Do your articles of incorporation and bylaws comply with the current laws that apply?
- Do you have a job description for each volunteer and staff position in your organization?
- Do you have regular elections for your volunteer officers?
- Do you have an open nomination process to identify new volunteers?
- Do you create a detailed annual budget and action plan for your organization at least 90 days before the next annual period begins?
- Do you have regularly scheduled meetings for your board of directors and do all of your board members regularly participate?
- Do you review your financial statements at each of your board meetings, including your operating statement, balance sheet and cash flow statements?
- Do you plan ahead and provide an agenda and proposals for discussion in advance of your board meetings?
- Does your secretary (or assigned staff person) record the decisions taken at your board meetings?
- Do you ask if any of your board members has a potential or real conflict of interest before you begin each board meeting?
- Do you request and receive reports in advance of your meetings on the activities and progress of your staff, committees and project teams?
- Do you compare actual results with your strategic plan and budget on a regular basis?

3

Membership and Key Stakeholder Groups

A business association exists to serve the collective needs of its members. Members who pay their membership dues and have the right to vote are the highest authority of the organization. Only the body of voting members can change the articles of incorporation and vote on membership dues levels. It is the voting members that elect the board of directors and empower them with the responsibility for day-to-day oversight and management of the organization. The board will then normally delegate the running of the day-to-day operations to the chief staff officer.

It is crucial that a business association is open to recruiting all potential new members, and that it is not used as an exclusive “club.” The power of an open business association is that it legitimately represents the broader business community and not just a small, select group of companies.

When the member is a company or organization, the benefits of membership typically extend to all of the member company’s employees (e.g., if a company is a member and it wants to send participants to a training session or an event, this benefit should not be limited to just one person from that member company). Member companies do, however, need to designate an individual to act as their official representative for voting and other official functions.

A business association may include companies or individuals who compete with one another in their respective business sectors but cooperate on issues of shared importance and concern. Despite the fact that some member companies may compete with one another, there are still issues, opportunities, and obstacles that they have in common and that are best solved through cooperation. This is what makes business associations unique and potentially very powerful. Issues such as export quotas, taxes, and tariffs can affect all companies. Businesses can have a greater influence and impact on government policies, laws, and regulations that affect their operations when they work together.

A business association must be a neutral platform where competitors can meet to address common challenges. This requires the business association to use good governance practices (see section on governance) in order to gain and maintain the trust of their members. This is why it is important that membership in a business association is open to all qualified companies, and that the association is not used to exclude specific competitors or economic sectors.

Another good practice is to assign one vote per member regardless of the size of the company. This makes for a more democratic organization and provides a fair mechanism for all member companies to have their interests represented. Associations whose voting systems intentionally limit power to a small group of companies will not be as effective or successful as those that take a more democratic approach.

Members vs. Stakeholders vs. Customers

The members of business associations are those individuals or businesses that have paid the necessary dues and that meet the minimum membership criteria to join the association. Membership entitles them to vote on association matters.

Stakeholders, on the other hand, are individuals and organizations that have an interest in the mission and programs of the business association but that do not qualify for full membership. More broadly, stakeholders can be defined as individuals and organizations that are affected by the actions of the business organization and therefore interested in its work. For example, if you are a business association based in Nepal, paying members would include companies that operate within the country and that pay the annual membership fee. Stakeholders would include, for instance, Nepal's Department of Industry, Nepali labor unions, and local non-profit organizations.

Some companies may not want to become members, but may still be interested in paying for individual programs and services offered by an association. These are the association's customers. Serving non-members is an important and growing source of revenue for associations and is also used as a member recruitment approach. Non-members can be customers first and become members later after they learn more about what the association can offer.

Who Are Your Members?

Membership criteria should be as clear as possible to avoid any misunderstandings. It is entirely up to your association to determine its membership requirements and these should be recorded in your articles of incorporation and bylaws.

The following guidelines can be used to help you set membership criteria and the relevant dues.

- 1 Clearly identify which types of organization qualify for membership. If there are any specific types of companies that do not qualify, it should be explicit. For example, “Member companies must have at least 30 employees or have at least \$1 million in annual revenue.” However, membership should be as open as possible.
- 2 Clearly identify the territory that the association represents. For example, “Membership is open to companies that have a physical presence within the greater metropolitan area of [city, country].” This is important if your organization’s mission is to represent a particular geographic region; this can be on a national, regional, or local basis.
- 3 Make sure that members pay their dues. Many organizations make the mistake of allowing companies to enjoy the benefits of membership even when they are in arrears or have not paid their current membership dues. As a business association, it is important to ensure that members pay their dues on time. Some organizations have also offered “lifetime” memberships. This is to be discouraged as it is not a sustainable business model, since there is no recurring income.

Note that laws in some countries stipulate that associations must keep members on their roster even if they stop paying their dues for a certain period of time (for example, three years). This legal situation can be highly detrimental to the effective functioning of an association.
- 4 Use tiered membership levels. A very successful approach is to offer tiered membership levels and dues. Membership dues can be assessed based on the size of the member company (number of employees or amount of revenue), the level of membership benefits they receive, or both.

TIERED MEMBERSHIP LEVELS				
Program or Service	Visitor	Small 1-10 Employees	Medium 11-50 Employees	Large 51+ Employees
Membership Dues	Free	\$250	\$1000	\$5000
Newsletter				
Membership Directory				
Online Networking				
Webinar How to navigate export controls				
Business Networking Event	\$75	\$25	\$25	\$25
Training Session How to market your business		\$50		
Training Session Financial management fundamentals		\$50		
Trade and Export Promotion Campaign		\$250	\$250	

Setting the right membership dues levels is crucial. Set the dues too low and you will struggle to deliver your promised services. Set the dues too high and you will exclude potential members. Dues should be set at a level based on the value of your programs and services to your members from a business perspective. This requires carefully analyzing the value of each benefit provided to members and setting a value-appropriate price.

** Note: Beware of setting membership dues too low in the hope of encouraging more members to join. This strategy fails to attract new members unless they see the inherent value in membership, and without sufficient income from adequate dues you can't deliver valuable services. Bear in mind, there will always be companies or members who complain that membership dues are too high, regardless of how low they are set. If you focus on setting dues at a fair market value and delivering quality services, you will attract engaged members. If the dues are too low, members may undervalue your association and engagement will suffer.*

Membership Recruitment and Retention*

Attracting new and maintaining current members is an ongoing process. One of the most effective recruitment methods is through word-of-mouth or recommendations from current members. The better you serve your current membership, the more likely they are to recommend other companies to join.

However, it is not enough to rely on word-of-mouth and recommendations. Membership recruitment and retention needs to be proactive by adopting a concerted focus on organizational growth through outreach and member relations. Such an initiative needs to have a leader who can drive the process full-force.

Membership recruitment and retention is typically tasked to the membership committee with administrative and program support from staff. It is important to identify volunteers for the membership committee who are both committed and enthusiastic supporters of the association. These identified volunteers will become your membership ambassadors who encourage new members to join the organization.

If your organization is not large enough to support a membership committee, there should still be at least one person responsible for membership recruitment. However, retention of members is a team effort and everyone in the organization should regularly encourage members to renew.

Here are some key steps to building an effective marketing and communications strategy for membership recruitment and retention:

1. Define and identify your prospective members.
2. Identify key individual contacts in each potential member company and build a prospect database. Collect as much contact information as possible, including but not limited to mailing address, email, and phone number when possible.
3. Develop a membership recruitment campaign and messaging.*
4. Test the campaign with 10 - 20 prospective member companies and assess necessary changes for refining your message.
5. Implement the member recruitment campaign and measure results. (e.g., how many become members, how many decline, and why they are not interested.)

*See also communications and marketing section

Approving and Accepting New Members

It is important to have an efficient and fair process for evaluating and admitting new members to the business association. Membership criteria should be clear as well as fair and open without excluding some potential members in an arbitrary or non-transparent manner. New member applications should be received, processed, and verified by staff in a timely manner. New members should be welcomed into the organization shortly after their membership dues have been received.

Organizations that have a lengthy or nontransparent new member review and approval process will typically lose members. Moreover, a complex review and approval process should never be used to purposely exclude specific potential new members. Associations that are not open to new members become stagnant and do not represent the broader business community. It is important that a business association does not deny a prospective member who otherwise meets membership criteria on anti-competitive or political grounds. Doing so is not only unethical and fails to represent good governance practices but also illegal in many countries.

How to Identify, Define, and Meet the Needs of Members

The key to membership recruitment and retention is to deliver benefits and services that meet the most important needs of your members. In order to do so, you must assess and understand the needs of your members through a bottom-up information gathering process. Do not just assume you already know the needs of your members.

→ **Membership surveys**

One of the most effective ways to understand your members' needs is to conduct a survey. The objectives of running a survey are to identify and prioritize member issues and to define necessary programs, services, and solutions the association can provide to address the issues of importance to members. Surveys should be conducted annually.

Sample Membership Survey Structure

Introductory paragraph explaining the purpose of the survey and its importance to the members (i.e., why they should take the time to fill it out).

1 Profile Information

If you do not already have this information for your members, you might ask:

- How many employees are in your (the member's) company?
- What is your annual turnover?
- What percentage of your sales are exported?

2 Needs

This is a section where you can gather information on the most pressing issues facing your members. It is beneficial to provide a predetermined list to be checked as well as an option to add issues not included in the survey list. An example list might include (this list is not exhaustive):

- What are your (the member's) three most pressing business issues?

- Tax issues
- Regulatory issues
- Export rules and procedures
- How to develop an export market
- Employee recruitment and retention
- Meeting international business standards (like ISO 9000)
- Other, please list: _____

3 Membership Satisfaction

This section will help you gauge how well you are meeting the needs of your members. Questions may include:

- How satisfied are you with your current membership experience? (on a scale of 1 - 10, with 10 being best and 1 being worst)
- How would you rank the quality of the following membership services?
- Newsletter
- Webinars
- Annual meeting
- Legislative reports
- Business networking events, etc.

**Note: Include a box for members to indicate that they are not familiar with a particular service. This will give insight about gaps in services that members may not be using or be aware of.*

4 Competitive Information

This section will help you understand what other organizations or services/resources compete with your offering:

- Where do you currently obtain information on business, legislation and tax issues for your business?
- What other professional or business associations do you or your company belong to?

5 Recommendations

This is your opportunity to ask your members what else they would like your organization to offer, or what to do differently. Sample questions include:

- What services or programs do you feel the business association can improve? In what ways would you like to see these services or programs improved?
- Are there any programs, services, or events that are not provided that you would like to see?

At the end of a survey always remember to thank responders for their input.

Information and insights obtained from the membership survey should feed into your strategic planning process. Therefore, it is crucial that when constructing your survey questions you are careful not to include any questions that you are not prepared to act upon or are not going to use. See Appendix 3 for a sample member questionnaire.

**Note: A survey should only be as long as necessary in order to get the information needed. Do keep it as short as possible to respect the time of your members.*

Membership Focus Groups

Another effective method for gaining member insights is holding small-format focus groups or interviews. These can be administered one-on-one or in small groups. Direct interviews increase the depth of information received and help identify issues that may not have been included in a membership survey. Interviewing a cross section of 10 to 20 members directly is the recommended way to gather information on the real needs of members.

Membership and Stakeholder Checklist

- Do you have clear membership criteria for potential applicants?
- Have you identified key stakeholders that are important for your business association?
- Is your member recruitment process open and inclusive?
- Are members required to pay dues in order to have voting rights?
- Are membership dues set at a sustainable yet fair level? (Pricing too low puts your organization at risk; pricing too high will discourage membership.)
- Are members regularly assessed for business needs, problems, and objectives?
 - Is there an annual membership satisfaction survey?
- Have you conducted an in-depth focus group survey or interviews to identify issues of importance to members?
- Are your membership services and programs focused on the most important problems identified by your members?

** Please refer to the chapters on programs and marketing for more membership related information.*

4

Programs and Services

Determining what programs, activities, and services your business association will provide is an important task. Programs and services are key components in making sure members benefit from the association.

Programs and services are a significant source of revenue from members. Associations are increasingly providing services and benefits for a fee to non-member organizations and customers, as well. Doing so not only provides an additional source of revenue, but may encourage non-member organizations to join the association after having had positive experiences with the provided services and benefits.

** Note: To overcome a financial resource shortage, business associations may divert priority to donor programs rather than membership priorities. However, doing so brings certain risks to an association, including but not limited to losing members or straying from the core mission. Many organizations that have received grants or donations wait too long before deciding to launch fee-based programs. In many cases, it is only when it is clear that the donations and grants are coming to an immediate end that they start to search for other sources of revenue. Grants and donations should not be relied upon as the sole source of operating revenue.*

It is necessary to decide which programs and services are included in the membership dues as membership benefits, and which programs are available at a cost. It is possible to offer different levels of membership dues for different levels of benefit, including offering some products and services to non-members. Making products and services available to non-members is a great way to introduce potential members to what you have to offer and to earn additional revenues from non-members. (Refer to the membership chapter for an example).

You need to include enough programs, services, and benefits in the membership dues to make it worthwhile for members to pay annual dues. Be careful, however, to not include more benefits than are worth the cost of running programs as it drives up your operational costs without any increase in revenue.

Consider the following list of programs and services as part of your overall offering. Some will typically be included as a membership benefit, while others should be offered as a service for a fee. When there is a fee for non-members, it should be a significant amount higher than the member fee (e.g., anywhere from 25-100 percent higher).

Membership Programs

➔ **Member-Recruit-a-Member Campaign**

Offer existing members a voucher or coupon for a discount off their membership dues or other association offerings if they recruit a new member to join (for members only, no fee).

➔ **Member Loyalty**

Ask current members to display the association's logo or a membership certificate in their place of business or on their company website as a sign of loyalty. Make certain that the logo and certificate designate a fixed time period so that members are reminded to keep their membership dues current. For example, a membership certificate might read, "We confirm that COMPANY NAME has been a member in good standing with the XYZ Business Association from 2001 - 2016" (for members only, no fee).

➔ **Membership Online Community and Member Directory**

There are online platforms that allow your members to connect and communicate with each other. Examples include Higher Logic (www.higherlogic.com), a peer-to-peer networking community and directory, and Your Membership (www.yourmembership.com), a feature-rich full service association management software. These platforms can also be used as online business or membership directories to help members and the general public find and contact your members. Alternatively, a printed version of your membership directory can be a useful tool to promote members and can also be a source of advertising revenue.

➔ **Awards and Recognition**

Award programs that recognize leading members can be an excellent way to encourage membership, raise awareness, and to gain free publicity in business and trade publications. It is important that the criteria and process for deciding who qualifies for an award are well thought out.

Examples of types of awards include:

- Most innovative company (for new product development);
- Best female-run business;
- Most “green” business (for companies that have had the greatest reduction in energy use or increase in recycling);
- Fastest growing small company; etc.

Use your imagination to identify interesting topics and awards based on your type of business association and your membership.

Live Events, Networking, and Conferences

→ Annual Conference and Exhibition

Most associations hold an annual conference as the main showcase for members during the year. An annual conference is a combination of required association business (elections, approving the prior year’s accounts, and passing any needed resolutions), education, and a commercial exhibition. Your annual conference should provide opportunities for members to network and participate in training and education sessions and for member companies to exhibit their products and services.

There are many formats for these types of events. The following is a recommended structure.

Registration fees for members include attendance at the annual meeting, the members-only legislative sessions* (elections, etc.), access to the education sessions and access to the commercial exhibition. Non-members can pay a higher fee for access to the education sessions and to the commercial exhibition.

**Note: If voting members want to only attend the legislative session, then they should not be charged a fee.*

Companies that want to exhibit should pay a fee for rental of space and materials that would cover the association’s cost of providing the venue and exhibition infrastructure.

An annual conference is also a great opportunity to obtain sponsors; it can include sponsorship for many individual items (sponsors for meals, conference materials, name badges, pens, signs, and directories, etc.).

→ **Business Networking Events**

Business leaders value the opportunity to meet with their peers face-to-face. Create regular events (monthly or at least quarterly) that provide members an opportunity to meet and network. These can be small group meetings that are held over breakfast, lunch, or evening receptions. The format should allow for some planned content as well as a good amount of time for unstructured networking. For example, an event could have an expert speaker present a short presentation followed by discussion and then open networking. Providing food and beverages will encourage people to attend and stay.

Networking events are also great opportunities to work with sponsors to provide them valuable visibility. One example might be to hold an event about Business Health and Safety Issues presented by a prominent law firm. In exchange for sponsoring the event, the law firm would have an opportunity to present on the subject, and gain recognition and potential clients.

It is important that networking events provide useful content and are not just sales and marketing events. Members will appreciate the tangible benefits from attending. It is recommended to make these events free or low-cost for members with a higher fee for non-members.

→ **Trade Missions**

A trade mission is the organized travel of a group of members to one or more target business market(s) in order to explore new business opportunities. Often, trade missions are coordinated with trade exhibitions or industrial trade shows in the target market(s). While in countries with mandatory chamber membership, trade missions are most often organized by chambers of commerce, independent associations can also earn revenue by organizing these events and charging members fees that cover all travel related costs, fees and registrations plus a margin to compensate for the administrative effort. These events should be limited for members only, encouraging non-members to join the association if they want to participate in the trade mission.

→ **Meetings with Legislators**

You might organize a meeting with legislators who are engaged in your business agenda. Lawmakers may be interested in such meetings because they may look to present the government's position to the private sector and solicit legislative input from members of the association.

Holding meetings with lawmakers could be attractive for sponsors and participants if the meeting is a larger-scale event. This type of event should be available to members for a small fee and a higher fee for non-members.

→ **Webinars and Online Presentations**

Some live, in-person events can be modified for delivery as online webinars. Normally a webinar presents a single topic for a period of between 45 to 90 minutes. Online tools such as GoToMeeting, an online webinar platform, allow you to make presentations to members or customers that they can watch and participate in from office and home computers. These webinars can be offered as part of membership benefit packages or can have per-webinar registration fees. These can also be offered for free or at a reduced price to members with a higher price for non-members.

** Note: Consider the sale of advertising and sponsorship opportunities with any programs and events. This includes offering advertisement or sponsorship recognition on your website, in newsletters, or at live events, just to name a few.*

Business Services

→ **Business Matchmaking**

Connect member businesses with customers, distributors, or representatives in other countries or markets. Business matching can be bundled as a part of a premium membership or paid for on a fee-for-service basis. This should be a members-only benefit whether it is included in a premium membership dues or paid for as a separate service.

→ **Consulting and Advisory Services**

If you have the staff and expertise, your association can provide custom consulting services in areas such as marketing, export/import procedures, project management, human resource management, or financial management. If you do not have the

staff resources to provide these services directly, you might work with local experts who can be official partners and who pay a fee for referrals. A discounted fee for members and full fees for non-members should be applied.

➔ **Shared Business Services**

If your association has extra facilities, you can earn revenue by sub-leasing or renting out space to companies. Space can be offered on a long-term basis in the form of sublet office space or short-term rentals for individual meetings in conference rooms. If staff have the capacity, consider offering other administrative services, such as accounting or payroll management, as a fee-based service. Use a fixed price that is the same for members or non-members.

➔ **Arbitration/Settlement**

Companies with legal disputes typically prefer to negotiate a settlement or arbitration without going to court because it is usually less expensive and provides a solution in less time. It is also more discreet than a public court proceeding. If you have the appropriately qualified staff, or if you are able to organize a panel of independent experts, your association can offer business arbitration and dispute settlement services for a fee on a case by case or hourly basis.

** Note: To offer this service, you will need highly trained and legally qualified people. Please check your local laws and regulations to determine if you are authorized to provide these services. This service should be offered for a fee and be available only to members.*

➔ **Business Contracts and Legal Services**

Similar to the arbitration and settlement services described above, you might consider offering advice and guidance on the drafting of commercial contracts or other legal services. For example, if you have a qualified attorney on your staff, and they have the spare capacity, you might offer these types of services. This service should be offered for a fee and only be available to members.

➔ **Insurance**

You might be able to work in partnership with one or more reputable providers of business- and trade-related insurance. You can engage them either as sponsors of events where they can gain access to potential new clients, or as preferred providers that the association refers its members to for a referral fee. This service should be offered as a member benefit that is included as part of the member fees.

→ **Standards and Certifications**

Many companies that want to compete globally must meet minimum international standards or have staff that possess certain professional credentials. Your association can help associations to meet these standards or obtain certifications for their staff through training and education. In fact, just making your members aware of which standards or credentials are important is a valuable benefit. Providing this information should be a free member service. Education and training should be at a reduced fee for members and full fee for non-members.

→ **Market Research**

One of the biggest challenges, especially for small and medium-sized businesses, is to understand how to reach new markets. Your association can help by providing a targeted market research service. For example, you can use your experience in organizing trade missions to also collect information about market opportunities for members. These services should be offered at a fee and only be available to members.

→ **Mailing Lists**

If you have the permission of your members, you can consider offering a mailing list of your members to companies that have services they would like to sell to your members. You would offer this list to companies for a fee. It is very important that you receive permission from your members before providing their contact information to others.

** Note: Be careful about how often and to which companies you sell your membership list. If your members receive too many unsolicited marketing messages it may reflect negatively on your association.*

→ **Translation and Interpretation Services**

If you have multi-lingual staff with good communication skills, you might consider helping your members reach new markets by providing them with translation or interpretation services. For example, you can translate member product and company materials (brochures, product catalogues, website content), or you can provide translation services for member companies that are meeting with prospective clients. These services should be offered at a fee and only be available to members.

Publications

Your organization can create a library of materials, in paper and/or digital formats, which are of use to your member organizations. These can range from “how to” books for setting up a new company to in-depth reports on how to comply with health and safety regulations in your country. If you have the resources, you might produce a quarterly or monthly business magazine that highlights key member businesses.

Your association can also consider working with publishers to offer your members books and other publications at a discount. Most of your publications should be offered at a fee for members and a higher price for non-members. You may decide to include a small number of publications as part of your membership fee but should limit this to one or two at most.

Education and Training

Your organization can hire experts to provide in-depth training or workshops on business-related topics. Topics could include financial management, health and safety regulation, anti-corruption compliance, project management, marketing, and sales. Typically these would be one- or two-day events involving a small group of about 20 participants in a hands-on classroom setting.

The association would be responsible for the venue, catering, promotion, registration, and administration of the event and typically would pay an expert(s) to prepare and deliver the training.

These types of events are highly valuable to the participants. The cost for participants should be comparable to rates charged by for-profit training companies for similar trainings, with a moderate price for members and a higher price for non-members.

If done correctly, these can be highly profitable for the association and provide a very strong benefit for the participants. You should also provide participants with a certificate of completion. Consider working with well-established professional associations that offer certification, like the Project Management Institute (PMI). They have existing content and programs that you might be able to take advantage of.

When considering which services to offer, keep in mind the financial cost of delivering the service, the skills and knowledge needed to deliver the service, and the amount of actual demand for the service to ensure it is financially sustainable.

See Appendix 4 for a sample post-event feedback survey.

Programs and Services Checklist

- Have you made a complete list of all of the services and benefits that your association is capable of offering?
- Have you identified which programs and services you will provide to your members as part of their annual membership dues payment? Be careful to include enough value that it is worth paying the membership dues but not to include so many benefits that it is not financially sustainable for your association.
- Have you identified services that can be provided to non-members for a fee? Have you researched how large the potential market is for your services? Have you benchmarked what the market prices are for the services you want to offer?
- Did you make sure that the prices you are charging for your services provide a good profit margin? Services provided for a fee should provide a surplus (profit) to the association. Therefore, it is important not to underprice your services.
- Have you made it very clear to your members and non-members which services are included in membership? Which services are offered to members-only for a fee? Which services are offered at a discount to members and for full price to non-members?

5

Advocacy and Making an Impact

One of the most important and valuable benefits that a business association can provide its members is advocacy to positively influence and support policies, regulations, and laws that have an impact on its members. Through a successful and sustained public policy advocacy program, the business association can deliver real benefits in the form of a better operating, legal, and regulatory environment for member companies.

The legislative environment varies quite widely from country to country. You will need to make an assessment of the options available to inform and advise lawmakers in your country. In some cases, the legislative process will be quite transparent, while in others it may be very difficult to understand the process of developing new laws and regulations. This will influence your ability to work directly with lawmakers. Where this is not an option, you may need a public information campaign to get your message across to decision-makers.

Because of the high importance of advocacy programs, you should consider forming an Advocacy Committee consisting of business, legislative, and legal experts that are familiar with your business and regulatory environment. It will be an advantage to include volunteer members that have relationships or experience with government and regulatory agencies. (Typically, only larger companies will have these types of resources.)

Another important advocacy tool is to make use of coalitions and partnerships with other groups and stakeholders in order to increase your level of influence and to better leverage your resources (see chapter on coalitions and partnerships).

Developing an Advocacy Campaign

The following process can be followed to develop your advocacy campaign.

- 1** Identify your most important business issues (find this out from your members through member surveys and focus groups). Focus on just a few issues of top importance in order to prioritize the use of resources and increase the chances of your advocacy campaign being successful.
- 2** Determine and analyze the current laws and regulations that apply to these issues, as well as any pending laws or regulations. Make sure your Advocacy Committee includes subject matter experts and knowledgeable volunteers to provide recommendations, data, and advice.
- 3** Define your official position on behalf of your membership. For example, you might want to prevent a new law from being approved entirely or you may want to include amendments or changes that make a new law more acceptable to your membership.
- 4** Identify the key decision-makers and decision influencers. These can include politicians, regulators, government advisers, other associations, media (newspapers, television, radio or online forums), and the general public.
- 5** Determine the best method of communication with decision-makers and influencers. Direct contact with lawmakers through private, one-on-one meetings may be most effective or you may have success with a more public communications campaign.
- 6** Identify any potential partners or other organizations that share your objectives. It might be more effective to develop a coalition of several organizations as this can multiply the effect of your message. Consider working with universities, think tanks, or other research bodies in your country to help provide information and research capacity related to your issues.
- 7** Prepare your communication message including any necessary research and facts to support your official position. It is crucial to compile your research and facts before determining your position. Using incomplete or inaccurate information will undermine your credibility and therefore your chances of success.
- 8** Identify your official representative(s). This might be your chief staff officer, your chief volunteer officer, or a dedicated member of staff whose primary job is to communicate your business association's public policy positions.

- 9 Prepare your communication campaign and calendar. Be sure to schedule key milestones in the legislative calendar, including deadlines to accept amendments and when legislative debate will take place before a vote or decision is taken by government. This includes developing tailored communications plans for each of your main stakeholder target groups (government, coalition partners, the business community, and the general public, for example).
- 10 Evaluate the effectiveness of your campaign while it is underway and after the issue has been decided. Assess what went right and why you succeeded for future campaigns. If you were not successful, analyze why and what you might do differently in future to get a better result.*

**You will not win every public policy campaign. Even if you do not win, it is still a valuable benefit for the business association to represent and communicate the interests of its members. If you are just starting out, focus on one issue and build your experience. If you have the capacity to address many issues simultaneously, combine these together into one document defined as your Business Agenda. This can be a great tool to communicate the benefits of membership to existing and prospective members as well as a tool to communicate your advocacy objectives to stakeholders.*

Advocacy is a long-term activity that requires ongoing and consistent communications that represent the interests of your members. Your organization will likely not have the resources to pursue every possible issue. Therefore, it is important to focus on only the most crucial issues and ones where you feel you have the best chance of success.

Advocacy and Ethics

Advocacy is the process of influencing legislation and regulations in an open and transparent way by communicating an informed position on behalf of your members. It is important that business associations follow good ethical standards. This includes avoiding real or perceived corruption. In particular, avoid providing any payments, gifts, or other benefits to government employees or agents that are not strictly required by law (i.e. fees or dues that are required by law). It is also important that anyone representing your business association only negotiates for policy positions agreed upon by your members and in the interest of the membership as a whole, and does not engage in negotiations from which only they personally benefit.

Advocacy Committee

As in most things in a business association, advocacy is a team effort involving volunteer leaders and staff. Volunteers have the hands-on experience and knowledge but are limited in the amount of time they can devote to volunteer activities. Staff have communication and project management skills that can be applied on a regular and consistent basis. Your Advocacy Committee members will need to have the ability and capacity to actively participate in the work of the committee. This includes having their employer's permission and the time to:

- participate in committee meetings and conference calls
- read, write, and evaluate reports
- engage with members and policymakers

The business association staff team will need to participate in a range of activities, as well as support the Advocacy Committee, through the following activities:

- develop knowledge of the regulatory environment and issues
- participate in committee meetings and conference calls
- read, write, and evaluate reports
- conduct issue research
- mobilize members
- provide communications and public relations services
- maintain positive relations with coalition partners, legislators, policymakers, and other stakeholders

Advocacy Activities

There are many different ways for your Advocacy Committee and staff to engage in advocacy activities. The main objective is to educate, inform, and influence all of the relevant stakeholder groups so that they make informed decisions that are in alignment with the needs of your members. In order to achieve this objective, you will need to:

- Clearly state why this particular issue is important.
- Use your research to show how many people or organizations are potentially affected by this issue and what the negative outcomes might be if it is not changed.
- Show the level of support you have and how important that support is (show a list of business, other associations, and coalition partners that support your position).

- State simply and clearly the change you would like to see (make it as understandable as possible to avoid confusion over what you want changed).
- Based on your research and analysis, show what the positive results will be if your recommendations are adopted.
- When your advocacy activities are completed and you have been successful, keep track of these results to share with your members and prospective members. Using a legislative tracking system is a good tool to record – and communicate – advocacy progress and achievements on a particular policy issue. Your advocacy success is a powerful testimonial regarding the value of membership in your business association.

Building an Organization for Businesswomen in Bangladesh

In 2006, CIPE partnered with the Bangladesh Women's Chamber of Commerce and Industry (BWCCI) to expand economic opportunities for women and facilitate their involvement in the policymaking process.

CIPE and BWCCI began a partnership with two primary goals. First, CIPE provided training and technical assistance to the board and staff to ensure that the chamber focused on the needs of its members and built financial sustainability by growing its dues-paying membership. Second, CIPE encouraged BWCCI to shift from simply training individual entrepreneurs to engaging in policy advocacy that could lower regulatory barriers and expand opportunities for women entrepreneurs. CIPE helped BWCCI understand that advocacy can be a cost-effective way to maximize impact.

As a result of this cooperation, BWCCI has instituted a range of leading organizational practices related to governance, management, and services.

BWCCI put in place a strategic five-year plan, an operations manual, and a membership development team. The organization's services now include business development, administrative support, and trade promotion. The chamber has a tiered dues system to maximize revenue, and has boosted total fees for services. BWCCI stays in touch with its

members through personal contact, phone calls, letters, newsletters, emails and a robust website. An annual award, issued to the member of the most progressive business, promotes both the member and the organization.

BWCCI now boasts over 3,500 members in several national branches. The Annual General meeting gives members a chance to provide feedback to the board about the organization's work. Selima Ahmad—the organization's visionary founder—took on a changed role working on international contacts, and BWCCI elected its second president.

CIPE helped BWCCI develop a robust advocacy strategy and a Women's National Business Agenda with 30 policy recommendations to improve the policy environment for women entrepreneurs. Achievements include increased lending to women-owned businesses, including collateral-free loans at a reduced interest rate.

Learn more:

M. Schleifer & M. Nakagaki (2015). "Empowering Women Entrepreneurs in Bangladesh," *Strategies for Policy Reform*, vol. 3, CIPE

Here are some examples of ways to communicate your messages:

Position Papers (White Papers)

Based on your research on a particular issue, you can create an in-depth report that defines the issue, the extent of the potential impact on your members or the general public, your proposed solution, and how that solution will positively impact your members or the general public.

This is your opportunity to collect and present all of the facts and arguments you have identified to support your advocacy position and can serve as a reference document for your other advocacy efforts.

Press Release and Press Conferences

You can use press releases or press conferences to make your members, journalists, and legislators aware of your positions. Please refer to the communications and marketing chapter for more details about using press releases.

Policy Roundtables

Nothing provides a better setting for communication than a face-to-face meeting. Organizing policy roundtables to bring key decision-makers, government representatives, and your members together for discussion and dialogue can help eliminate misunderstandings and get your message across more effectively.

Interviews and Publicity

Make use of the press and publications to extend your message through interviews and articles. It is sometimes more effective to have third parties, such as newspapers and magazines, convey your message.

For more detailed information on developing and implementing an advocacy campaign, please refer to the CIPE publication **How to Advocate Effectively: A Guidebook for Business Associations** http://www.cipe.org/sites/default/files/publication-docs/advocacyguidebook_english.pdf

Impact and Advocacy Checklist

- Survey your membership to understand the most important public policy issues that concern your members.
- Determine and analyze the current laws and regulations that apply to your priority issues. Are there any pending laws or regulations?
- Define your official position on behalf of your membership.
- Identify the key decision-makers and influencers.
- Determine the best method of communication for reaching decision-makers and influencers.
- Prepare your communication message including any necessary research and facts to support your official position.
- Identify your official representative(s).
- Prepare your communication campaign and calendar tailored to different audiences.
- Implement your campaign and track progress/achievements.
- Evaluate the effectiveness of your campaign while it is underway and after the issue has been decided. Understand what went right, and what you might do differently in future in order to get a better result.

6

Coalitions and Partnerships

What makes business associations powerful is that by representing a collection of businesses, they are able to do things that individual companies are unable to achieve on their own. In the same way, business associations can strengthen their position and effectiveness when they work together with other like-minded organizations to form coalitions.

Coalitions can be formed around a specific issue or policy objective, or they may represent long-term partnerships around common aims. While your business association may represent many different businesses, small and large, from many different business sectors, it is likely that there are many other trade and professional associations in your country that could be potential partners.

For example, if there is a policy issue related to the real estate sector that you have identified as being important for your members, there are probably several associations related to land development, construction, architecture, and investment that may share your position. These types of organizations can be useful and powerful partners for your advocacy campaigns.

Once you have identified an advocacy issue, you can use the following steps to evaluate if a coalition can be developed to strengthen your position:

- 1 Identify potential partners. Consider any groups or organizations that have an interest in the advocacy issue that you have identified. Even if you expect that some of these groups might take an alternative position on the issues, it is worth engaging with them in discussion on how to work together. The key to finding potential allies is in-depth stakeholder analysis, which includes identifying primary and secondary stakeholders on a particular issue. A brainstorming exercise where you map different actors relevant to your issue is a good way to get started. Remember, you shouldn't just focus on identifying stakeholders who are in support of

your issue. Anticipating where opposition would come from is equally important. You will not be able to turn all the opponents into supporters but your coalition of like-minded stakeholders will be more successful if you can figure out ways to keep most opponents neutral. That can be possible through carefully researching how each group is affected by your position and highlighting benefits, or at least no harm, to skeptical stakeholders.

2 Understand the priorities of your coalition partners and which issues you have in common. One of the biggest challenges inside a coalition is that each partner organization will have a different set of priorities. By better understanding the key objectives for each of your coalition partners, you might find common ground that will engage your partners on your core issues. Understand the benefits that each partner expects to receive from participating. Don't take it for granted that all will follow the leader.

3 Establish a relationship, starting with a clear definition of why you feel you have common objectives and how you feel they can be best achieved collectively. You will need to develop personal working relationships with the people that represent your coalition partner organizations in order to achieve the shared goal.

4 The work of a coalition involves a high level of communication, within the coalition to coordinate the positions and views of the coalition partners, as well as externally to the people and organizations you are trying to influence. You need to establish clear internal communication channels with coalition partners for day-to-day interactions, and prepare a communication plan for the coalition as a whole that details outreach to key decision-makers and/or the general public. Also establish a mechanism for communicating with grassroots members and keeping them apprised of the coalition's objectives and work.

5 Agree on the scope of the coalition including objectives, activities, and the role of member organizations. Consider any groups or organizations that have an interest in the advocacy issue that you have identified.

- Which issue(s) will you base your cooperation on? Try to narrow your focus to a particular issue or objective. The more issues you try to take on at once, the more likely your external message will become confused or diluted.
- Which organization(s) will take the lead in developing the position paper and official stance of the coalition? A coalition is a group of equals but there still needs to be a leading organization to drive your campaign. Decide who is best prepared to take that role and be ready to support them if it is not your association in the lead.

**Note: While tasks and associated costs should be shared among the coalition members to demonstrate buy-in and commitment, the lead organization should be prepared to carry the largest share of the burden to organize the coalition's efforts and to provide the necessary human and financial resources.*

- Define who will officially represent each coalition partner organization, how often you will meet, and how you will make decisions. Successful coalitions are organized coalitions that understand who does what, and when. Set up a calendar of meetings to make sure your coalition information campaign maintains momentum.
- Define how and when the coalition might be terminated (for example, it might no longer be needed once your policy objectives have been reached.) Not all coalitions need to exist forever. If you have formed a coalition around a specific short-term issue, discuss how and when the coalition can be dissolved once your objective has been reached. If you have a more long-term oriented coalition, plan periodic reviews of the mission and purpose to make sure the coalition still serves an important purpose.

6 Develop an action plan, calendar, and budget for the coalition. By crafting a written plan and budget for the coalition, you will have a guiding document that will make it easier to work and make your coalition more effective. A written plan and budget can also help avoid potential disputes with your coalition partners by making it clear who does what and how the programs will be paid for.

Partnerships

There are many opportunities to partner or work with other organizations but these partnerships must be selected wisely. Partnerships make sense especially when there is a skill, product, service, or level of knowledge that would benefit your members but that you do not have the capacity to provide yourself.

For example, your member companies might benefit from training on how to achieve ISO 9000 certification but you do not have staff or volunteers inside the association that can provide this training. In this case, you might want to partner with a training company or another business association that does have the ability to provide this type of training.

The most important aspects of developing a partnership are: to clearly define what you are trying to achieve; to carefully evaluate and qualify potential partners; and to make sure that the partnership arrangement provides fair value for you and your partner(s).

Tackling Multiple Taxation and Security Issues in Nigeria

CIPE's projects in Nigeria have focused on building the capacity of business associations and chambers of commerce to represent the private sector as a voice for democratic reform and economic growth. In Enugu State, CIPE supported the efforts of a business and professionals' coalition to facilitate unprecedented public-private dialogue at the state level, bringing increased government attention to the issues of multiple taxation and security.

In Enugu, CIPE conducted training workshops for over 22 business associations, which focused on business development and organizational governance, as well as advocacy and coalition building. At the end of the workshops, the participants inaugurated the Enugu Coalition of Business and Professional Associations (ECOBPA) in an effort to unify Enugu's voice of business and advocate for an improved business environment. The new coalition was based upon a loosely formed coalition that was formed by the Enugu Chamber of Commerce (ECCIMA).

While ECCIMA knew that a coalition was necessary, it did not know how to structure or mobilize the coalition to advocate for policy reform. CIPE filled this gap by providing training and technical assistance to help the coalition become self-sustaining. The training workshops also helped associations develop improved member relations. Finally, CIPE helped facilitate transparent elections for the Coalition's Local Coordinating Committee (LCC).

CIPE assisted the LCC with drafting by-laws and establishing working groups to ensure proper completion and oversight over each step of the advocacy process. ECOBPA turned to its grassroots members to identify policy priorities that would form the basis of its 2010 advocacy campaign with the Enugu state government. One of the key priority issues identified by the coalition was multiple taxation.

CIPE provided a sub-grant to ECCIMA to undertake its advocacy campaign. ECOBPA, led by ECCIMA, convened the LCC and technical

committees to develop advocacy plans and craft policy papers with CIPE assistance. ECOBPA held a press conference to launch the advocacy campaign, and the Coalition conducted multiple advocacy visits to state and local government officials and financial institutions, culminating in a roundtable on the issue of multiple taxation.

Based on the skills acquired through CIPE capacity building seminars, ECOBPA's advocacy campaign served to educate its members on how to pay taxes properly and create a forum through which ECOBPA could undertake formal dialogue with government taxation officials.

ECCIMA and ECOBPA worked with local and state government chairmen to provide clear documents outlining the different state and local taxes for businesses. The government officials confirmed that all taxes should be paid at the banks, and receipts should be provided as evidence of payment. As a result, businesses in Enugu State now only pay taxes that are legitimate, making their businesses more profitable and less susceptible to bribery.

As a result of CIPE's technical assistance, ECOBPA members have learned that the coalition is an effective platform through which the business community can achieve solutions to various problems found in the business environment. The general public has become more aware of ECOBPA and the government is less wary of the business community, leaning more towards dialogue and public-private partnerships.

Learn more:

T. Mihaylova (2014). "Creating a Better Business Environment in Nigeria," *Strategies for Policy Reform*, vol. 3, CIPE

Coalition and Partnership Checklist

- Have you identified all potential partners through finding areas of shared interest and agreement?
- Have you researched and vetted your potential partner organizations?
- Have you performed broader stakeholder analysis (including those organizations that may oppose the coalition's policy issues)?
- Have you defined the scope, roles, and responsibilities of the coalition partners and how the coalition efforts will be managed?
- Have you defined how and when the coalition will be dissolved?
- Have you evaluated whether or not you have the capacity and time to devote to a partnership arrangement? Does the partner have the time and motivation to fulfill their part of the partnership arrangements?
- Are you regularly evaluating the performance and results of your partnership or coalition programs to determine if they are worth the time and effort?

7

Communications and Marketing

Business associations depend on effective communications to survive and thrive. Your advocacy and representation activities are directly dependent on an effective communications campaign. Your members depend on communications from your organization, either in order to receive membership benefits directly (information, online training, networking, representation, and advocacy) or to learn about programs and benefits available to them.

It is imperative for your association to have an annual communications plan and to use your plan to coordinate and deliver your different messages throughout the year. To complete your plan, look at the following components:

1. Your Target Audience
2. Communication Objectives
3. Messaging
4. Communication Channels and Tools
5. Planning
6. Measurement and Review

1

Your Target Audience

The starting point for any communications campaign is to define who you are trying to reach. This is more than just distinguishing between “members” and “non-members.” The more detailed your segmentation of your target audience, the better prepared you will be to craft an effective message. For example, if you are trying to reach the CEOs of your member companies, your message may be very different than if you are trying to reach middle managers or if you are trying to reach government representatives and legislators. Who you are trying to reach will also influence which communication channels you use. Therefore, keeping an up-to-date list of your association’s contacts and segmenting it into different target audiences is important for successful advocacy outreach. Developing and updating a database of contacts takes time and resources but it is a worthwhile investment.

2 **Communication Objectives**

Each piece of communication you send should have at least one clear objective and should be related to your annual program and strategic priorities. You will want to develop communication campaigns to, for example, attract and recruit new members, encourage existing members to renew their membership, deliver your advocacy campaigns, and engage and inform the public.

3 **Messaging**

The actual format of your message will have a large impact on how effective it is and which channel(s) are best to use. For example, if you want to inform your members about a complicated piece of pending legislation, you might need to provide an in-depth report. On the other hand, promoting an upcoming event might take only a few paragraphs. As a rule, make your communications as short and concise as possible. A good practice is to first draft your message and then to edit it to remove any unnecessary content.

** Note: There will be times when you are trying to influence legislation or policies that negatively affect your members. It is important when trying to change the views of regulators and legislators to use positive language. For example, instead of saying “working to eliminate unnecessary regulations,” you could say “working to improve the ease of doing business and growing the economy.”*

→ **Language**

Depending on local conditions, you may need to provide information in multiple languages. For example, you might communicate in English with international partners or sponsors, and use the local language for your membership services and advocacy efforts. You will need to provide content in the language that is used by your target audience if you are going to be effective.

4 **Communication Channels and Tools**

You have more ways to reach your members and prospective members today than ever before. Examples include direct mail, fax (in some countries), email, text messaging, social media, websites, newsletters, blogs, newspapers and magazines, radio and television, etc. Each of these channels and tools has some advantages and disadvantages, including their cost, timeliness, and the resources needed to prepare your content.

** Note: It is important to determine who from your organization is authorized to communicate on your behalf. This is especially true for the use of social media channels. Develop a clear policy outlining who is entitled to use which communication channels and when they are authorized to do so.*

→ **Direct mail**

This includes any printed materials that you mail by post to your target audience(s). The advantage of direct mail is that a printed message is likely to be read and can be kept for reference. The disadvantages are the higher cost (compared to email), unreliable postal services in some locations, or address lists that are no longer accurate. You should have at least some direct mail messages throughout the year, especially if many of your members are not using email.

→ **Fax**

Although not used as much as in past years, the facsimile (fax) is still used and can be another channel to reach your audiences. The advantages are similar to direct mail, with the added benefit that it is received immediately. The disadvantage is that you might be reaching only a small percentage of your members.

→ **Email**

Today, email is one of the most efficient and effective ways of communicating with your target audiences. When using email, keep your messages as clear as possible. Use short, descriptive subject lines and do not try to communicate too many topics in one message. If you find that you have more than three or four messages to convey, it is probably better to include these in a newsletter where your members expect to see many topics presented.

The advantages of email are that it is inexpensive, it is immediate, and it is easy to measure results. For example, many email services allow you to measure how many emails have been sent, how many have been opened, and how many recipients have clicked any links you might have included.

The disadvantage of email is that not all of your members may have access to email in which case you cannot reach them. Also, your email message is competing with other emails for your recipients' attention; therefore your messages need to be worth reading.

**Note: Be careful not to send too many messages by email because your audience will stop reading your communications or they may decline to receive email from you. It is better to send something worth reading just once a month than to send non-important content weekly.*

→ **Text Messaging**

Not everyone has email but almost everyone has a mobile phone. Text messages can be an effective way to reach your target audiences, especially in some countries where text messaging is used more than another channel of communication. The advantages of text messaging are that it is inexpensive, it is immediate, and nearly everyone has a mobile phone.

The disadvantage is that you can only send a short message, so you will need to combine text messaging with links to your website, for example.

→ **Social Media**

There are thousands of social media tools and applications but there are usually only a few that are used by the majority of people in your country. Each social media platform has its own “culture” in how it is used. Two of the largest networks are Facebook and LinkedIn. Facebook is usually used for personal topics and issues and is less often used for business topics. LinkedIn, on the other hand, is used almost exclusively for business purposes and is likely an effective platform for your business association. You may have a different social media platform that is widely used in your country, like VKontakte in Russia or Tencent in China. What is important is that your association has a presence on the site(s) where your members are active.

Social media platforms can be used for multiple purposes including member-to-member networking, member recruitment, and as a channel for sending communications to your audiences.

The advantage of using social media channels is that they are inexpensive, they are immediate, and they are great for word-of-mouth messaging where your members share your communications with colleagues and contacts.

The disadvantage of using social media is that it is sometimes difficult to know how effective your messages are. Also, only a small percentage of your members may use a particular social media channel. For example, Twitter is a popular social media tool but not many business leaders use Twitter compared to LinkedIn. It is important to know which channels your members are using.

→ **Websites**

Your association’s website is a key tool for your communications and can be viewed as a “base” for all of your communications campaigns. Your website is where your members, prospective members, and other stakeholders will turn to first when they are looking for information. Therefore it is crucial that your website is kept up-to-date and accurate and that it is designed in a way that it is easy for members and prospective members to find what they are looking for, especially information on how to join your association and the benefits of membership. This means posting new content when it becomes available as well as deleting out of date information to keep your website uncluttered. Once members have joined your association, communication by email or traditional mail may become more important.

Your website should contain, at a minimum, pages dedicated to the following topics:

- An “About Us” page that describes your organization’s mission and vision, your objectives, and who you represent. It may also contain a short description of your history.
- A “Membership” page that describes who should become a member (including your membership criteria), the benefits of membership, and what it costs to join. This page should also include a link for prospective members to join the association and for current members to pay their membership dues online.
- A “Programs and Events” page that lists all upcoming events, programs, and training sessions. It should list member-only events and events open to non-members to help show the value of being a member. For the sake of ease of updating and display, many organizations list upcoming events in a calendar format, ideally at least up to one year in advance. Your calendar should be searchable by date, topic, and location to make it easy for your members to find what they are looking for.
- If you have an active advocacy campaign, you can include a “Business Agenda” page with a short description of the issues you are pursuing and your position on those issues. You should include a link here to your membership page in case prospective members want to join and support your efforts.
- A “Contact Us” page that includes your full contact information to make it as easy as possible for stakeholders to know how to reach you. In some cases, you might want to list contact information for different departments, if you have a large staff team.

Because many of your communications campaigns will point or link to your website, be sure to coordinate your communications campaigns so that information is updated on the website before the other messages are sent out. Make sure to obtain testimonial statements and endorsements from your members to use on your website and membership recruitment materials. You may also consider creating a separate issue-specific website, with the issue captured in its URL, to support a larger advocacy campaign.

→ **Newsletters:**

Business associations are all about communication. Providing a regular newsletter in either electronic or printed format can be a very effective way to communicate with your members and prospective members. It is important that you include news and information that is of interest to your members and that the newsletter is published on a fixed schedule (usually monthly). You can combine printed and online versions to maximize your reach and the newsletter should be available for free to members and non-members. Offering a free subscription to potential members is a good way to build your prospect database.

→ **Blogs**

A blog can be thought of as an ongoing discussion posted online. Blog content is like a short discussion of a specific topic and is intended normally to solicit feedback and responses. Blogs can be an effective way to explain an issue and engage your members. You can also use other blogs that your members read to post messages.

The advantage of a blog post is that it is easy and inexpensive, it allows you to have a dialogue with your readers, and it helps raise the online search results for your organization by providing content. The disadvantage is that you need to make your audience aware of the posts online and get them to read your messages.

→ **Newspapers and Magazines**

Newspapers and magazines reach wide audiences that may include substantial portions of your targeted audiences. In most countries, there will be publications (newspapers and magazines) that reach business and political decision-makers.

Ideally, you should strive to place content in these publications through interviews and articles. Publications are always looking for original and interesting content. Having a profile of your organization or being interviewed (i.e. earned media) can be a much more effective way to market your organization than paid advertising. Once you have identified the publications you want to be featured in, contact the editor and start a discussion about what the publication is looking for and what your association might provide in terms of content. Some of them might decline the offer of content but it is worth asking to see if you can get free exposure for your organization.

The disadvantage of depending on newspapers and magazines as a communication channel is that it can be very difficult to get your message published without paying for an advertisement. Advertising can be effective but it requires a sustained effort and can be very costly. The

advantage is that if a newspaper or magazine publish an article about your organization or advocacy campaign, it can reach a very large audience and can have a high level of credibility.

→ **Press Releases and Announcements**

When you have a new advocacy position to announce, you can make use of a press release or announcement to raise awareness with publications and news channels, as well as with your members, coalition partners, regulators, government representatives, and key decision-makers.

Effective press release statements should:

- Be clear — The date, name of your organization, and the name of your representative or official contact person, and their email and phone number, should appear in the heading. Your press release should include a short title that summarizes the main message you are communicating (“The XYZ Business Association Proposes Key Changes to Export Rules and Regulations” for example).
- Briefly present key facts and information — It is important that your press release only contain the most important facts and key issues. The people that will receive your press release will determine in a few seconds if the information is worthwhile to publish or if it is interesting enough to contact your organization for more information.
- Provide a short description of your organization — Your press release should contain one paragraph about your organization. This is intended to convey why your organization and your press release are important. For example, “The XYZ Business Association represents the interests of more than 4,000 businesses, including many of the nation’s leading exporters, and is the largest independent organization for private sector enterprise in [country].”

It will be important to build a database of stakeholders, including journalists and publishers, well in advance so that when you do have announcements to make, you know who to send them to.

→ **White Papers, Reports and Guidebooks**

If your organization has built up knowledge or expertise in a particular area, it may be worthwhile to produce a paper, report, or guide that can be published and display your organization’s expertise. For example, if you have been working on pending corporate tax legislation, a report on the

issues and pending legislation might be of great interest to your members and prospective members. Not only will it advertise one of the benefits of joining your association, it can also support your ongoing advocacy efforts.

→ **Position Papers and Issue Briefs**

Issue briefs are short (1-2 pages) descriptions that define a particular issue, and the actions you would like to see occur. Issue briefs can be used to update decision-makers and government representatives and can refer them to more in-depth position papers for more detailed information. It is more effective to use a brief document that states the most important facts than to use a longer report.

Your brief should:

- Identify the problem or issue under consideration and briefly describe relevant laws or regulations in a language that the target audience can easily understand. Include a legislative history of the issue, if available.
- Explain why the issue is important to the target audience by describing in simple terms how it affects that audience. Use straightforward economic vocabulary familiar to most readers. Whenever possible, use graphs and charts to visually demonstrate how the law or regulation hurts or helps your audience and/or the general public.
- Propose a specific policy recommendation that provides a clear solution to the existing problem. For example, use simple graphs or charts to illustrate how certain important economic indicators (growth, jobs, etc.) might improve if a particular business obstacle is removed. The recommendation should show the target audience exactly what needs to be done to resolve the issue.

→ **Radio and Television**

Radio and television are very similar to newspapers and magazines with the key difference being that they require “live” content (someone representing your organization normally has to be interviewed, recorded, or filmed).

5 **Planning**

Your communication plan should match your annual program and services. For example, if you are planning to hold a webinar once a month, your communication campaign would schedule a plan to advertise the webinar in advance by at least 30 days. This could include a weekly email, a mention in your monthly newsletter, an update on your website, and one

direct mail piece to your members. Likewise, you will want to plan your communications campaign for your annual meeting, in which case you might start as much as one year in advance.

Reaching out to the media and building trusted relationships with journalists should also be a part of your communications strategic planning. The impact of your advocacy events can be greatly multiplied if it attracts media attention. What is more, journalists will turn to you as a source of opinion on key policy issues if they regard your organization as a reliable source of information on a given topic.

Sample Communications Campaign Worksheet				
Channel	Audience	Objective	Key Messages	Timing/Frequency
Email				
Post / Letter				
Website				
Twitter				
LinkedIn				
Webinar				
Press Release				
Networking Events				
Conference				

See Appendix 1 for an additional sample communications worksheet.
See Appendix 5 for a sample press release.

Leveraging Outreach and Communication in Egypt

Small business represents an estimated 90 percent of businesses in Egypt, yet the interests of small business traditionally have not been well represented in policymaking. Founded in 2001, the Federation of Economic Development Associations (FEDA), began as a small, local business association. Currently, FEDA is a nationwide umbrella organization of more than 120 local business associations and civic organizations throughout Egypt representing small and medium-sized enterprises (SMEs). CIPE has worked closely with FEDA since 2004 to develop its organizational capacity and institutionalize the growing grassroots movement.

In the early years of the CIPE-FEDA partnership, work focused on capacity building related to advocacy. CIPE assisted with the organization of advocacy sessions, which introduced FEDA members to the grassroots mobilization process and the means through which FEDA member associations can participate in formulating public policy, build alliances and coalitions and advocate for policy reforms. CIPE provided technical assistance in crafting and revising draft legislation and policy recommendations and advised FEDA on its outreach and advocacy strategy. CIPE also utilized its international network to afford FEDA an important broader audience for its grassroots, small business viewpoint on the challenges facing Egypt.

CIPE worked with FEDA to develop a SME Reform Agenda, compiling the feedback from over 300 businesses in 17 governorates and industrial zones, selected to be representative of 2,000 businesses. The survey sought to identify administrative and other obstacles, which if addressed, would allow businesses to survive and grow. Upon completion, the SME Agenda was distributed to FEDA member associations, the Industrial Development Authority, the Ministry of State for Administrative Development, the General Authority for Investment, the Federation of NGOs, the Ministry of Manpower, and the media.

Upon the completion of the SME Reform Agenda, CIPE's assistance focused on outreach and communication capacity building. CIPE supported the development of a countrywide, electronic communications network to provide information sharing and a forum for discussion for FEDA member associations, and conducted intensive management training to improve both FEDA's and its members' planning and administration.

CIPE worked with FEDA to enhance its communications and media relations capacity and more prominently situate the organization as a voice for Egypt's small business community. FEDA used its enhanced capacity to keep in touch with the media, to disseminate press releases, and to hold press conferences. CIPE's work with FEDA on its public communication has given the organization an unprecedented level of public visibility in the media and among government representatives, allowing it to speak out on reforms benefiting small business.

FEDA has become the most prominent representative for SMEs in Egypt, having engaged in national-level policy discussions on Egypt's key economic issues. FEDA's presentation to Egypt's constitutional assembly resulted in specific commitments in the constitution to develop the SME sector and to address the informal sector, and a regulatory change allowed SMEs to fully own land, increasing their access to bank financing.

FEDA successfully advocated for lowering sales taxes on capital goods, simplifying tax forms, reducing the income tax, and extended health insurance coverage to street vendors, improving the quality of life for millions of Egyptians. CIPE's capacity building and technical assistance has helped transform FEDA from a small, local business organization to a national advocate for the interests of 30,000 SMEs, facilitating a better business environment.

Learn more:

CIPE Arabia, <http://www.cipe-arabia.org>

6 Measurement and Review

It is important to measure the results of your communication campaigns in order to learn what is working and what is not. Your time and resources are valuable and you do not want to waste time on communication channels or campaigns that are not reaching your intended audience or that are not worth the investment.

One of the reasons you want to include a “call to action” in your communication pieces is to be able to measure how many people respond to your messaging.

For example, if you are using email, you will want to track:

- How many emails were sent?
- How many were opened?
- How many people clicked on any links your email included (such as to an event invitation on your website)?
- How many people registered for an event or completed a questionnaire?

For your website, you will want to track:

- How many unique visitors you have every month?
- What pages are they visiting and how long do they stay on each page?
- What percentage of people that visit your “Join” page actually complete a membership application?

By regularly measuring the results of different campaigns and different communication platforms, you will be able to improve the effectiveness of your messaging.

Low Cost IT Tracking Tools

There are a number of low cost or free online tools that you can use to track results or to gather information from your members.

Google Analytics can be used to track the number and frequency of visitors to your website.

Google Alerts can be used to track online mentions of specific terms or topics. For example, you can track when your business association's name is mentioned or use Google Alerts to track a key advocacy issue.

Use WordPress to post an online blog or even to create your organization's easy-to-update website.

Want to know what your members are thinking about a specific issue? Use SurveyMonkey to gather feedback on key issues or to better understand your members' needs.

Communications and Marketing Checklist

- Is your website up-to-date and easy to navigate?
- Do you have a communications policy in place for your staff that clarifies who is authorized to post new content on your website and social media channels?
- Have you defined your target audiences? Are you trying to reach company CEOs or middle managers? Are you targeting large, medium, or small companies? Be as specific as possible to better tailor your messages.
- Have you defined what you are trying to achieve with each of your messages? What are your objectives? Are you trying to inform your recipients or do you want them to do something as a result (e.g., register for an event)?
- Have you crafted your message? Is it clear and easy to understand? Have you edited your message to remove any unnecessary or repetitive content?
- Have you identified the right channels to use for your message based on your audience, your objectives, and the format of your message?
- Have you created a communications calendar for the coming year based on your programs? Do you have a plan for each of your major programs and events? Have you coordinated your messaging so that you do not overwhelm your members with too many messages from different departments in your organization?
- Are you measuring the results of your communications campaigns? Do you know which channels and messages are working and which ones are not? Have you considered the cost and time requirements for different campaigns compared to the results and benefits?

8

Financial Management

Financial management is one of the most important and sensitive duties of the association's board of directors. It is the legal responsibility of the board to ensure that the association's finances are properly managed. It is also important that the organization has sufficient funds to meet all of its obligations and payments due to suppliers and employees and to deliver services to the membership in order to be sustainable.

Although it is common to delegate the day to day financial management under the guidance of the association treasurer to staff or an outside agency, or for volunteers to manage some of the financial duties, the board cannot delegate its responsibility to ensure that the finances are up to date and reported correctly.

Budgets and financial management are important because they help you to stay on track with your organizational strategy. The budget should reflect your priorities and can help you avoid distractions and unplanned, or unauthorized, activities.

Sustainability

Financial sustainability is crucial for your business association. If your organization receives grants or donations as a major source of funding, you should take extra precautions when planning and budgeting.

Grants and donations often fluctuate greatly from year to year and are not a sustainable or reliable source of income for the long term. Therefore it is important to develop other sources of revenue such as membership dues, event and education registrations, and other fees for program services.

It is also important to develop financial reserves and savings to cover unexpected revenue shortfalls or expenses.

There are five documents that form the core of any financial reporting process.

→ **Budget** — The budget, normally prepared on an annual basis, details all sources of expected income and identifies all approved expense items planned for the year. It should serve as your controlling document to determine and authorize what expenses can be paid as well as to measure the income that you are depending on to fund your operations. This document should be updated on a monthly basis, with the actual results compared against the budgeted amounts, so that you can easily see if you are on target or not.

Rather than simply copying last year's budget, it is important to budget according to your annual plan of activities and programs, eliminating items that are no longer valid and adding new budget positions where appropriate.

Your budget should reflect your strategic plan, and the priorities and objectives you want to achieve in the upcoming year. For example, if you know that there is an important need for advocacy on new laws in the next year, you will need to allocate resources (budget) for your advocacy and communications campaigns.

Likewise, if there are programs that you are discontinuing because they are completed or no longer needed, they should be removed from your future budget.

When constructing a budget, the board and the chief staff officer work together to outline the organization's strategy for the coming year. Typically, staff will then prepare, together with the treasurer, a draft budget that reflects your strategic priorities. This is usually reviewed by the board of directors for comment, revised, and then a final version is presented for the board's approval.

The sample budget below provides a recommended format that differentiates between member and non-member prices. (Please note that the sample budget is not meant to be exhaustive but to show you how a budget might be constructed).

Sample Business Association Budget				
	Rates	YEAR		
INCOME		Units	Amount (\$)	Total
Membership Dues		300	\$150.00	\$45,000.00
Training Events	Member	200	\$50.00	\$10,000.00
	Non-Member	200	\$100.00	\$20,000.00
Webinars	Member	200	\$25.00	\$5,000.00
	Non-Member	200	\$50.00	\$10,000.00
Corporate Sponsors		5	\$3,000.00	\$15,000.00
Advertising		40	\$750.00	\$30,000.00
Annual Meeting Delegates	Member	125	\$175.00	\$21,875.00
	Non-Member	35	\$250.00	\$8,750.00
Annual Meeting Exhibitors		20	\$2,000.00	\$40,000.00
Publications		300	\$55.00	\$16,500.00
Grants and Donations				\$100,000.00
Income Sub-total				\$322,125.00
EXPENSES		Units	Amount (\$)	Total
Management and Administration				
Rent		12	\$1,000.00	\$12,000.00
Telephone and Internet		12	\$125.00	\$1,500.00
Equipment				\$3,000.00
Chief Staff Officer				\$85,000.00
Membership Manager				\$35,000.00
Government Relations				\$15,000.00
Event Manager				\$40,000.00
Marketing and Promotion				\$14,000.00
Meetings Management				\$10,000.00
IT Services (website)				\$1,200.00
Legal and Administration				\$13,500.00
Programs and Events				
Annual Meeting Costs		160	\$150.00	\$24,000.00
Speaker Expenses		10	\$500.00	\$5,000.00
Printed Materials				\$3,000.00
Trade Promotion Program				\$6,000.00
Webinar Hosting Platform		12	\$100.00	\$1,200.00
Training Program Event Hosting		400	\$65.00	\$26,000.00
Expenses Sub-total				\$295,400.00
Net				\$26,725.00

➔ **General Ledger**

This is a record of every single transaction, income, and expense. The general ledger is arguably the most important financial document you maintain because it is used to develop your operating statement and balance sheets. It is also the general ledger that will be used to make an audit of your accounts and to determine if your financial transactions have been properly recorded. The general ledger is also used to find any mistakes or incorrect entries. Individual entries must match your bank statements. Note: If you operate a petty cash account (an amount of cash that you keep on hand), you must operate a petty cash ledger that records every transaction, monies paid to you in cash, and monies paid out in cash. These entries are then recorded again in your general ledger. Only in this way will your financial accounts reports match the balances on your official bank statements.

➔ **Operating Statement (also known as a Profit and Loss Statement)**

This document reports income versus expenses and the net results -- either a surplus (profit) or a deficit (loss). The operating statement results should be used to update your budget document by adding in the actual results against the budget projections. Your operating statement should have the same format as your budget document for easy comparison. It records your actual operating results.

➔ **Balance Sheet**

The balance sheet is a snapshot of the assets and liabilities of your organization on a specific day. This document is important because it records obligations that have not yet been paid for, and it records income that has been invoiced but not yet received.

- Current Assets are cash, or items that can be converted to cash within one year.
- Current Liabilities are expenses that are owed and due to be paid within one year.
- Long Term Assets are items that have a use for more than one year.
- Depreciation is deducted from long term assets and is an amount that the fixed assets have lost in value as they age. Depreciation is fixed on a schedule set by tax officials.
- Long Term Liabilities are items that are owed more than one year in advance.

- Net Assets is the amount of all assets (current and long term) minus all liabilities.

Sample Balance Sheet			
Assets		Liabilities and Assets	
Current Assets		Current Liabilities	
Cash	\$15,000.00	Accounts Payable	\$13,500.00
Accounts Receivable	\$750.00	Accrued Expenses	
Inventory	\$2,390.00	Prepaid Revenue	
Prepaid Expenses	\$5,000.00		
Total Current Assets	\$23,140.00	Total Current Liabilities	\$13,500.00
Long Term Assets		Long Term Liabilities	
Office Equipment	\$3,000.00	Venue Rental Contract	\$6,700.00
Depreciation	-\$600.00		
Total Long Term Assets	\$2,400.00	Total Long Term Liabilities	\$6,700.00
		Net Assets	\$5,340.00
Total Assets	\$25,540.00	Total Liabilities and Assets	\$25,540.00

➔ **Cash Flow Statement**

Cash to a company or association is like oxygen to a human being. Without sufficient funds (cash) to pay your obligations, you will soon go out of business. A cash flow statement shows the amount of actual cash you expect to receive (receipts and payments) as well as the amount of cash you are paying out in a specific period. Normally this is by month and projected forward for the next 12 months. For example, if you have insurance that is paid every six months, your cash flow statement will show when the premium is due and how much cash you will need on hand to make the payments.

There are many businesses that thought they were profitable but ran out of cash because their expenses became due before their revenue was received. The cash flow statement is designed to protect you from this happening.

1. Identify the amount of cash you have on hand at the beginning of the period. (This is recorded at the bottom of the sheet before the January entries.)
2. Forecast future movements of cash (receipts and expenses) in the months that they are expected to occur. For example, you will likely have to pay to reserve a meeting venue for your annual conference before you start invoicing delegates. If your event is in August, you might have to make a reservation payment in March but only start getting revenue in June.
3. Record all movements of cash (receipts and expenses) each month as they are incurred and update future months if the information changes.

In the sample cash flow statement on the following page, you will notice that the starting cash balance is \$15,435.80 and that it rises to \$33,485.80 as membership dues come in January, and that it declines to \$13,085.80 by the end of March because of a large payment related to the annual meeting. By using a cash flow statement, you should be able to anticipate if you will have enough cash on hand to meet your obligations when they become due.

Sample Cash Flow Report				
		January	February	March
INCOME				
Membership Dues		\$23,000.00	\$3,750.00	\$2,000.00
Training Events		\$-00	\$3,500.00	\$-00
Webinars		\$2,000.00	\$-00	\$-00
Corporate Sponsors		\$-00	\$-00	\$2,500.00
Advertising		\$2,500.00	\$2,500.00	\$2,500.00
Annual Meeting Delegates		\$-00	\$-00	\$-00
Annual Meeting Exhibitors		\$1,375.00	\$1,375.00	\$1,375.00
Publications		\$1,375.00	\$1,375.00	\$1,375.00
Grants and Donations		\$8,333.33	\$8,333.33	\$8,333.33
Cash Received Sub-total		\$40,541.66	\$22,791.66	\$20,041.66
EXPENSES				
Management and Administration				
Rent		\$1,000.00	\$1,000.00	\$1,000.00
Telephone and Internet		\$125.00	\$125.00	\$125.00
Equipment		\$250.00	\$250.00	\$250.00
Chief Staff Officer		\$7,083.33	\$7,083.33	\$7,083.33
Membership Manager		\$2,916.67	\$2,916.67	\$2,916.67
Government Relations		\$1,250.00	\$1,250.00	\$1,250.00
Event Manager		\$3,333.33	\$3,333.33	\$3,333.33
Marketing and Promotion		\$3,500.00	\$3,500.00	\$3,500.00
Meetings Management		\$833.33	\$833.33	\$833.33
IT Services (website)		\$100.00	\$100.00	\$100.00
Legal and Administration		\$-00	\$1,500.00	\$1,750.00
Programs and Events				
Annual Meeting Costs		\$-00	\$-00	\$15,000.00
Speaker Expenses		\$-00	\$-00	\$-00
Printed Materials		\$250.00	\$250.00	\$250.00
Trade Promotion Program		\$500.00	\$500.00	\$500.00
Webinar Hosting Platform		\$100.00	\$100.00	\$100.00
Training Program Event Hosting		\$-00	\$4,000.00	\$-00
Cash Spent Sub-total		\$21,241.66	\$25,241.66	\$35,491.66
Net Cash on Hand	\$15,435.80	\$34,735.80	\$32,285.80	\$16,835.81

When to Use Cash or Accrual Accounting?

Cash Accounting — The cash accounting method records income and expenses as and when they are actually paid. The advantage of the cash accounting method is that it is simpler to operate and provides you with an up-to-date position of the cash you have on hand. The disadvantage is that it does not show you income, liabilities, or expenses that have been incurred but not yet actually paid. If you are operating a cash basis accounting system, your operating statement will not show amounts that are due for payment in the future. Therefore it can give a false picture of your actual financial standing. The cash accounting method is only recommended for smaller organizations that have a relatively small amount of transactions. Otherwise, an accrual accounting method provides a better overview for management and the board.

Accrual Accounting — The accrual accounting method records income, liabilities, and expenses when they are incurred. For example, if you order office supplies on the 1st day of the month and the invoice is not due to be paid for 60 days, you would record the expenses now (when they are incurred) as a liability (an amount that is owed but not yet paid). When you pay the invoice in 60 days, you would then record your payment and the liability would be removed and placed in the appropriate expense account as a paid expense. The advantage of the accrual accounting method is that it gives you a more complete picture of your actual financial position. It also provides a better comparison for prior years as income and expenses are allocated to their correct periods. The accrual accounting position should always be used unless you do not have the resources and/or you have a small number of transactions per year.

**Note: Check the legal requirements regarding accounting in your country. In most cases, accrual accounting is required and cash accounting is not an option.*

Audits — An audit is an official inspection of an organization's financial accounts by an independent body. It is important to have regular (annual) audits of your financial accounts that are undertaken by qualified and independent financial professionals. Audits help to protect the organization and the board of directors by ensuring that the financial accounts are properly recorded. Audits can also help you identify ways to manage your organization more efficiently and should be welcomed by staff and volunteers as an important regular part of being a professionally run organization.

Finance Management Checklist

- Make sure that at least two volunteers and the chief staff officer know the details of all accounts held in the name of the association and who the key account representative is at the bank (or banks) that service your accounts.
- Make sure that any transactions over a minimum amount requires the authorization of at least two signatories, typically the chief staff officer and the treasurer.
- Make sure to change account access rights immediately if there is a change in office for the treasurer, chief staff officer, or anyone else who may have had access to the association's accounts.
- Reconcile your accounts with your bank statement every month. This way you are not looking for a mistaken entry at the end of the year and can catch mistakes early.
- Start preparing your draft budget for the next year at least six months in advance so that a final budget can be approved at least 90 days before the new fiscal period starts. (Your fiscal year may be different from the calendar year. Some associations have their fiscal year start on 1st of July for example.)
- Make sure that your accounts are audited every year.
- When constructing your budget, do not just use last year's numbers as your basis. Consider what your expenses should be based on the planned activities for the year ahead. This will ensure that you budget the appropriate amount and that you do not just assume that the costs will be the same.
- Use the Cash Flow Statement to ensure that you maintain sufficient cash on hand to meet your obligations when they become due.
- Allocate at least a portion of surplus funds to a reserve or savings account to protect your association from unforeseen expenses or emergencies.

Additional Tools and Resources

Key CIPE Resources

Business Associations, Business Climate, and Economic Growth: Evidence from Transition Economies

The paper examines the link between business associations and economic growth through the prism of new institutional economics.

<http://www.cipe.org/sites/default/files/publication-docs/IP%2008-07%20ISNIE.pdf>

CIPE Guide to Governance Reform

Introduces CIPE's proven techniques for advancing democratic and market reforms that private sector groups around the world have used to improve the business environment and the quality of governance.

<http://www.cipe.org/sites/default/files/publication-docs/Guide%20to%20Governance%20Reform.pdf>

Governance Principles for Business Associations & Chambers of Commerce

This publication explores the importance of good governance practices in creating business associations that are independent and mission-driven, able to provide membership services, and to effectively represent their member interests in the public policy process.

<http://www.cipe.org/publications/detail/governance-principles-business-associations-and-chambers-commerce>

How to Advocate Effectively: A Guidebook for Business Associations

This guidebook provides an overview of public policy advocacy and best practices.

http://www.cipe.org/sites/default/files/publication-docs/advocacyguidebook_english.pdf

National Business Agenda Guidebook: The Voice of Business

A tool for business community to participate in public policy reform by setting legislative and regulatory priorities and clearly communicating them to policymakers.

<http://www.cipe.org/publications/detail/national-business-agenda-guidebook-voice-business>

Making the Most of Public-Private Dialogue: An Advocacy Approach

A toolkit for business leaders who seek to improve their participation in dialogue for better policy results.

<http://www.cipe.org/publications/detail/making-most-public-private-dialogue-advocacy-approach>

Strategies for Policy Reform: Experiences from Around the World

Presents case studies of effective, innovative reform programs designed and implemented by business associations, think tanks, and other independent organizations in partnership with CIPE.

- Volume 1.
http://www.cipe.org/sites/default/files/publication-docs/PolicyReform_2007.pdf
- Volume 2.
http://www.cipe.org/sites/default/files/publication-docs/Strategies%20202_content.pdf
- Volume 3.
<http://www.cipe.org/publications/detail/strategies-policy-reform-volume-3>

Virtual Business Association

An online platform compiling sample documents, resources, and guidelines for chambers of commerce and business association executives focused on improving organizational capacity and operations.

<http://www.cipe.org/vba>

Key External Resources

- American Society of Association Executives.
<http://www.asaecenter.org>
- *Building the Capacity of Business Membership Organizations: Guiding Principles for Project Managers*. World Bank Group Small and Medium Enterprise Department.
http://www-wds.worldbank.org/external/default/WDSContentServer/WDSP/IB/2005/10/24/000090341_20051024144214/Rendered/PDF/338150BMOGuidefullreport2003.pdf
- Public-Private Dialogue online hub.
<http://www.publicprivatedialogue.org>
- *The Business Association Development Guidebook: A practical guide to building organizational capacity*. BearingPoint and USAID.
http://pdf.usaid.gov/pdf_docs/pnaeb607.pdf
- *The Strategy Book: How to Think and Act Strategically to Deliver Outstanding Results (2nd Edition)* by Max McKeown, Financial Times Publishing, 2016.

Appendix 1

Sample Communication Worksheet

Identify your target audience(s).

- Potential Members
- New Members
- All Members
- Small Firms
- Large Firms
- Academics and Universities
- Non-Profit Partners
- Government Representatives
- Sponsors and Supporters
- Volunteers
- Public
- Staff

What is your key message?

What action or result are you trying to achieve?

What communications channel(s) will be used?**Date to be sent:**

- Email
- Website
- Newsletter (Electronic)
- Newsletter (Paper)
- Letter or Mail
- Website
- Facebook
- LinkedIn
- Twitter
- YouTube
- SlideShare
- Community Blog
- Other:

Appendix 2

Sample Bylaws

Depending on your local laws, the creation of a new Business Association may require Articles of Incorporation and Bylaws, Articles of Incorporation only, or a set of Bylaws as your incorporation document. These terms are very similar and all refer to the governing rules for the formation and operation of a non-profit organization. Please seek qualified local legal advice to make sure your incorporation and governing documents comply with local law.

The following example can be used as a guide to show the main elements that these documents should contain. This example should not be construed as legal advice and is for illustrative purposes only.

Article I

1. **Name.** The name of the _____ Association, a nonprofit corporation incorporated in CITY and COUNTRY.
2. **Location.** The principal office of the Association is located in CITY and COUNTRY or elsewhere as determined by the Board of Directors.
3. **Purposes.** The purposes of the Association include these:
 - a) Providing representation, advocacy, education and training for businesses and professionals through meetings, seminars, communications, publications, and other programs and activities;
 - b) Articulating and advocating the needs and interests of the business community before legislative, administrative, and judicial branches of local, state, and national governments;
 - c) Cooperating on behalf of the business community with suppliers, distributors, dealers, insurers, financial institutions, international agencies, and the general public directly and through their associations in matters involving the business and governmental affairs of the business community; and
 - d) Promulgating policies and conducting activities for the betterment of all those individuals or firms involved in some aspect of the association.

4. **Restrictions.** All policies and activities of the Association shall be consistent with
 - a) Applicable federal, state, and local antitrust, trade regulation, or other legal requirements; and
 - b) Applicable tax exemption requirements, including the requirements that the Association not be organized for profit and that no part of its net earnings inure to the benefit of any private individual.

Article II

1. **Membership Qualifications.** Membership in the Association is available to persons or firms involved in, or associated with, the operation of a business in the TERRITORY.
2. **Regular Membership.** Regular voting membership in the Association is limited to persons or firms who pay regular dues. Regular members may serve as directors and hold office.
3. **Nonvoting Memberships.** The following membership classes have no vote, nor are they eligible to serve as directors or hold office in the Association:
 - a) **Supplier Membership.** Supplier membership is available to persons or firms furnishing goods or services to the full members of the Association. Dues and other terms of supplier membership are specified by the Board of Directors.
 - b) **Affiliate Membership.** Affiliate membership is available to educators and other stakeholders having a special interest in the business community. Dues and other terms of affiliate membership are specified by the Board of Directors.
4. **Applications for Membership.** All applicants for membership must complete and sign the application form provided by the Association and submit the application to the principal office of the Association.
5. **Admission of Members.** Admission to membership is by majority vote of the Board of Directors, based upon a determination that an applicant has met the Association's criteria for membership. No member application that meets the membership criteria shall be unreasonably denied.

6. **Resignation.** Any member may resign by filing a written resignation with the Board of Directors; however, resignation does not relieve a member from liability for dues accrued and unpaid as of the date of resignation.

7. **Expulsion.** Any member may be expelled for adequate reason by a two-thirds vote of the Board of Directors. Failure to pay dues or to meet the criteria for membership is presumed to be adequate reason for expulsion and does not require advance notice to the member and deliberation by the Board. Any member proposed for expulsion for another reason is given advance written notice including the reason for the proposed expulsion, opportunity to contest the proposed expulsion in writing or in person before the Board of Directors, and final written notice of the Board's decision.

8. **Meetings of Members.** Members meet annually with notice provided in writing or electronically at least thirty (30) days in advance. Proxy voting is permitted at meetings of members; member voting without a meeting may also occur by registered mail, overnight delivery, or electronic mail. A majority of voting members forms a quorum; a majority of votes is required to carry a matter where a quorum exists, unless otherwise provided by these Bylaws or local law.

Article III

1. **Dues.** Dues are established by the Board of Directors.

2. **Delinquency.** Any member of the Association who is delinquent in dues for a period of ninety (90) days is notified of the delinquency and suspended from membership. If dues are not paid within the succeeding thirty (30) days, the delinquent member forfeits all rights and privileges of membership and is expelled.

3. **Refunds.** No dues will be refunded.

Article IV

1. **Directors.** The governing body of the Association is the Board of Directors, which has authority and is responsible for the governance of the Association. The Board establishes Association policy and monitors implementation of policy by the Association's employed staff under the direction of the Chief Staff Officer.

2. **Composition of the Board.** The Board of Directors consists of (from 7 to 15) persons elected by and from the regular membership.
3. **Election and Term of Office.** At each annual meeting of members of the Association, an election is held to choose (recommend 1/3) new members of the Board of Directors. Directors serve staggered terms of (recommend 3) years. No director may serve more than two succeeding full or partial terms; however, a person who has previously served as a director may be elected again one year after having held the position.
4. **Vacancies.** If a vacancy occurs on the Board for any reason, the position is filled – for the unexpired portion of the term – by appointment of the Board.
5. **Meetings.** The Board of Directors meets at least annually at whatever time and place it selects. The presence of a majority of directors constitutes a quorum. A majority of votes is required to carry a matter when a quorum is present, unless otherwise provided by these Bylaws or local law. Proxy voting is not permitted. Voting by postal mail, overnight delivery, or electronic mail is permitted when all directors vote unanimously in favor of a matter. Meetings may be held electronically if each director can hear the others.
6. **Removal.** A director may be removed for adequate reason by a two-thirds vote of the members.
7. **Compensation.** Directors do not receive compensation for their services but may be reimbursed for expenses according to an established reimbursement policy.

Article V

1. **Officers.** The officers of the Association are a President, a Vice President, a Treasurer, and a Chief Staff Officer. (You may also wish to add the Secretary)
2. **Qualifications.** Officers, except for the Chief Staff Officer, must be regular members of the Association who have been elected directors. No person may hold more than one office at the same time. Officers may serve consecutive terms.
3. **Election and Term of Office.** Officers, except for the Chief Staff Officer, are elected by the Board of Directors each year before the annual meeting of the Association's regular membership. Officers, except for

the Chief Staff Officer, serve for one year.

4. **Duties.** The officers perform those duties that are usual to their positions and that are assigned to them by the Board of Directors. In addition, the President of the Association acts as Chairman of the Board of Directors, the Vice President acts in place of the President when the President is not available, the Treasurer is the financial officer of the Association, and the Chief Staff Officer, appointed or terminated by the Executive Committee, is responsible for implementing policies established by the Board.
5. **Vacancies.** If a vacancy occurs among the officers, other than the Chief Staff Officer, for any reason, the position is filled for the unexpired portion of the term by the Board.
6. **Removal.** An officer may be removed for any reason by a two-thirds vote of the Board of Directors.
7. **Compensation.** Officers do not receive compensation for their services but may be reimbursed for expenses according to an established reimbursement policy.

Article VI

1. **Executive Committee.** An Executive Committee consists of the officers of the Association and may act in the place of the Board of Directors when authority is designated by the Board or in emergency matters where Executive Committee action is temporary and subject to subsequent approval by the Board at its next meeting.
2. **Audit Committee.** An Audit Committee is appointed by the President to oversee the financial audit of the Association. The Audit Committee consists of directors of the Association. At least one member of the Audit Committee must have expertise or experience in financial matters, and that member need not be a director. The Chief Staff Officer is not a member of the Audit Committee but may advise and consult with the Committee. The Audit Committee is responsible for engaging or discharging the financial auditors of the Association.
3. **Other Committees.** The President appoints whatever other committees are necessary.
4. **Rules.** The Board of Directors may establish rules that are consistent with these Bylaws for the policies, procedures, and programs of the Association.

5. **Amendment.** Amendments to these Bylaws may be made by the regular members of the Association without prior notice at an annual meeting. Amendments may be made without a meeting, by postal mail, overnight delivery, or electronic mail, where a majority of the voting members participate and where the amendments carry by a two-thirds vote.

Appendix 3

Sample Member Questionnaire

It is important to understand the needs of your members. One way to understand these needs is to use a questionnaire to obtain member feedback and input. Here you will find some sample questions. Depending on your specific needs, you may want to include different questions regarding issues you have identified.

**Note: Do not include questions that you will not use or act upon. Keep your questionnaire as short and simple as possible to encourage more responses.*

Sample Member Questions:

Thank you for being a member of the XYZ Business Association. Our mission is to help you and your business to be more successful. We kindly ask for your feedback and input to better understand your needs:

1. Please rank the following issues:

	URGENT	IMPORTANT	NOT IMPORTANT
a) Business operating regulations	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
b) Tax regulations	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
c) Import / Export regulations	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
d) Access to capital / loans	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
e) Corruption / bribes	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
f) Finding new export markets	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
g) Financial management issues	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
h) Unfair competitive practices	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
i) Finding qualified staff	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
j) Modern management practices	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
k) Marketing and sales skills	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
l) Acquiring equipment and machinery	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
m) Finding international distributors	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
n) Other (please describe) _____	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

2. What is the single most pressing and important business challenge that you face over the next 6 months? (Describe)

3. How important is this issue for you and your business?

Critical/
Urgent

Important

Minor
Importance

4. What one or two things can the XYZ Business Association do to help address your top business challenges? (Describe)

Your feedback will be used to make your Business Association more effective for you and your business. Thank you for being a member!

Appendix 4

Sample Post-Event Feedback Survey

It is important and helpful to conduct participant satisfaction surveys following events in order to know if you are meeting the needs of your members and to learn how to make future events better.

Remember:

- Ask for the survey feedback immediately following the event.
- Do not add questions that are not absolutely necessary or that you will not act upon –keep the survey as easy and brief as possible.
- For events with multiple sessions, ask which session or topic the participants found particularly interesting/engaging/valuable.
- Consider holding one-on-one interviews with participants immediately following the event to obtain feedback.

Sample Post Event Questionnaire:

Thank you for attending our recent event [insert event title, date, and location]. We appreciate your feedback so that we can create future events that best meet your needs:

1. How well did the subject and topic of the event match your business needs?

Very Well Somewhat Did Not

2. How well did the speaker(s) present the content and information?

Excellent Very Well Well Poorly

3. Was there sufficient time allowed to meet and network with other meeting attendees?

Too Much

Enough

Not Enough

4. What topics or issues would you like to see addressed at future events? (Describe)

5. How can we make future events more effective and useful for you and your business? (Describe)

Your feedback will be used to make future events and your Business Association more effective for you and your business. Thank you for being a member!

Appendix 5

A Press Release is an important tool to communicate a message to key audiences, including media (print, radio, television, and online), government representatives, legislators, business association members, coalition partners, and the general public. A press releases should be distributed as widely as possible including electronically by email, online on your website, linked through social media channels, and (as appropriate for your area) by printed hard paper copy directly to news outlets.

The following guidelines will help you write more effective press releases.

Your press release should include:

1. The date of release
2. The name and logo of your organization
3. The name and phone number or email of the official press contact
4. A clear title (bolded, large font, and short – similar to a newspaper headline)
5. Body content: should not be more than one page. Prioritize the content and only include what is the most essential.*
 - a. Who are you and what is the issue or event about?
 - b. What is your message? What is the essence of the issue or event that happened or is happening?
 - c. When did it happen?
 - d. Where did it happen?
 - e. How did it happen?
 - f. Why is this issue or event important?

**You may not need to answer all of the questions, but you should go through the exercise just to make sure you did not miss anything. Again, answer each question as briefly as possible using only the most essential information.*

6. A press release should follow a standard format. When possible, add a short and relevant quote in the first or second paragraph from a leader in the community or an organization member involved in the issue. The last paragraph should be used to provide a short description of the organization.

7. Conclude the press release with the hashtag symbols to indicate to reporters that there are no additional pages of information (###).

** Note: If you are using a press release to announce an event and to invite the press to attend, you will use a slightly different format. It should be sent in the form of a media advisory. A media advisory needs to contain some of the same details as a press release: your name and logo at the top, followed by event details.*

Be sure to include the title of the event in large letters, the date, time, and place where it will be held. A single-spaced paragraph should then be devoted to identifying the name and title of the guest speaker and a brief explanation of the event and why this event is important.

At the end, add the appropriate contact information and the RSVP.

Press releases are the most common way to get your message out to journalists. In order to use them efficiently, you need to establish clear lines of communication with journalists who regularly cover your issues. Over time, they will come to rely on you as a resource for information.

Here is a sample press release for reference:

SYRIAN CIVIL SOCIETY AND INTERIM GOVERNMENT COMMIT TO IMPROVING LOCAL GOVERNANCE AND EDUCATION

FOR IMMEDIATE RELEASE
May 14, 2015

Center for International Private Enterprise
Contact: Ken Jaques, (202) 721-9245

WASHINGTON, D.C. - In a move that will help civil society and opposition authorities work together to improve local level governance and education in Syria, the Syrian Economic Forum (SEF) and Syrian Interim Government (SIG) signed Memorandums of Understandings (MoU) to formalize their cooperation.

“This [signing] is a prime example of how the Syrian pro-democracy business community is playing a crucial role in helping Syria find a way forward in the current crisis,” said John D. Sullivan, Executive Director of the Center for International Private Enterprise.

Under a MoU with the SIG’s Ministry of Local Administration, Relief and Refugees, SEF will provide SIG with real-time economic data including prices of essential goods and services, energy supply, humanitarian conditions, and population displacements. SEF’s analysis and recommendations will enhance the SIG’s use of economic data and statistics to improve conditions at the local level inside Syria.

SEF has also signed a MoU with SIG’s Ministry of Education to integrate a civic education curriculum developed by SEF in all schools administered by the Ministry inside and outside Syria. SEF has successfully piloted a civic education program for displaced Syrian students in Kilis, Turkey. The curriculum focuses on economics and business skills as well as citizenship and democratic participation. It is designed to give Syrian youth the skills they need to be active participants in the reconstruction of their country.

SIG was formed in March 2013 and is an alternative government to the regime in Syria. Improved local service delivery is key to strengthening SIG’s legitimacy as a viable alternative to the Assad regime and extremist groups. Cooperation with civil society organizations like SEF provides the SIG with needed economic expertise and concrete solutions to service delivery challenges.

Since 2011, CIPE has supported SEF as an independent think tank that provides accurate information, economic analysis, and evidence-based policy solutions needed for immediate relief in Syria and longer-term reconstruction and recovery. SEF gathers the information through a network of liaisons inside Syria.

CIPE is a core Institute of the National Endowment for Democracy (NED) and an affiliate of the U.S. Chamber of Commerce.

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About the Author

For more than 25 years, Terrance Barkan has been building international trade and professional associations on a global basis. His international management career has taken him to more than 60 countries on six continents around the world on association strategy development projects. He has served as the Executive Director for a number global and multinational organizations and was the founder of the very first truly global international association management company.

As a Certified Association Executive (CAE), Mr. Barkan has been a prolific author of articles, guidelines and white papers on international association growth strategies. He has served as the Chair of the International Section Council for the American Society for Association Executives' (ASAE), is a former member of the Board of the European Society of Association Executives and has been an adviser to the Chinese Federation of Industrial Economics (CFIC).

Mr. Barkan has also developed important, original research on how associations are approaching globalization, which business models to use and how to overcome common obstacles in new, international markets.

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