MARINER
MANAGEMENT & MARKETING

Assessment & Recommendations to Enhance the Strategic Alignment and Performance of FEI Chapters

Executive Summary

FEI, like many associations, looks to its chapters to provide a local presence yet relies on an operating model that was conceived, for the most part, in the last century and depends largely on volunteers and fragmented administrative systems. While a number of FEI chapters appear to deliver a compelling value proposition to their members, many struggle with member participation, volunteer burnout and succession planning challenges.

Based on our analysis, FEI chapters may be better served by skipping incremental improvements to an ill-fitting system and embracing a substantive and worthwhile change. As Henry Ford (supposedly) observed, "If I had asked people what they wanted, they would have said faster horses." We would argue that the time has come to take a hard look at the function we're trying to fulfill and re-organize accordingly, taking into account the fundamental changes in member and volunteer expectations over the last two decades while fully leveraging 21st-century technology and implementing many of the business practices the private sector successfully employs to deliver an effective local presence.

Options we propose include:

- Strategic Re-Focus – Un-bundle and re-organize the smaller chapters to focus on a single activity, doing only that which can be done well and requiring an allocation of human and financial resources proportionate to the actual benefit to the membership and complimentary to the full FEI member value proposition.

- Lightweight and Flexible Structure – This option follows the adage that form should follow function. As the core function of most chapters is simply to create opportunities for members to connect with each other in a learning environment, a technology-driven "meet-up" model could deliver this function in most areas without the need for all the current bureaucracy that drives volunteers away. An independent organization with a board of directors makes little sense for a number of FEI chapters.

- Data Development – FEI needs a more consistent system-wide data collection and reporting policy and process to ensure it counts the things that count, accurately identifies and replicates the bright spots, and optimizes the allocation of resources and member experience accordingly. The current system relies far too much on the anecdote to guide its activity and assess its performance.

- Volunteer Support – Develop a volunteer management system that supports volunteers' interest, passion and expertise in serving the mission and the member to ensure a mutually beneficial volunteer experience. Volunteers are increasingly reluctant to carry the bureaucratic burden of chapter administration and generally lack the skills and experience to effectively deal with the myriad technical processes required to manage an association.

In the recommendations section, we provide more detail on how FEI chapters might act on these options.

Assessment Process

FEI retained Mariner Management to assess its chapter system and offer recommendations to achieve the following objectives:

1. A flexible and sustainable chapter operating system that supports alternative approaches to the delivery of a value proposition that justifies, from the members' perspective, the dues they are often required to pay for chapter membership.
2. A truly symbiotic and fully aligned relationship between FEI and its chapters to ensure a seamless and positive experience for members, regardless of their location.
3. Meaningful KPIs which provide an objective assessment of chapter performance and clearly identify areas of excellence and opportunities for improvement.
4. A chapter governance structure which offers meaningful and attractive roles for volunteers.

Mariner employed the following discovery process to conduct the assessment and develop the requested recommendations.

Data/Document Review:

- Reviewed current and past plans and relevant FEI reports to fully understand the direction(s) the organization has taken, the strategies and tactics employed, and the overall extent to which the mission has been moved forward vis-à-vis the chapter system.
- Examined FEI chapter materials and programs looking particularly at key indicators such as annual member growth and retention, program activity, member and volunteer leader participation, financial trends, and any other relevant performance data available.
- Examined available research data including FEI member surveys and the relevant surveys conducted by other researchers including Mariner.

External Research: Gathered relevant examples, data, and intelligence from the association and business worlds, including those operating in comparable areas, to help inform the analysis and broaden the understanding of the environment in which FEI operates.

Volunteer Leader Interviews: Conducted qualitative interviews with key staff and board members along with leaders from a cross-section of FEI chapters, selected based on recommendations by FEI, regarding their overall perception and understanding of FEI chapters, and to gather a sense of where the association's chapter system can and perhaps should be headed in the future.

General Findings/Assessment

Our assessment focused on two areas: chapter operations and chapter performance. The former helps to understand the resources within chapters and key characteristics that impact sustainability. The latter identifies the chapter impact on the system as a whole.

Overall, we found many FEI chapters may be overstructured and understaffed for the work they are doing and the impact they are having. By understaffed, we're referring to the volunteer muscle and the association management acumen of volunteer and/or staff available at the chapter level. Here is a breakdown of our findings that support this assessment.

Chapter Operational Profile

Size: For the 60 chapters listed in the July 18, 2022 Member Status Report, FEI's chapters range in member size from 5 to 575. The average size is 97, the median is 62, and nearly two-thirds have fewer than 100 members. These numbers are often, though not always, a predictor of performance as our research has found that typically only 5-10% of association chapter members volunteer for leadership positions and only 15-20% of members actively participate in chapter programs (see 2022 Association Chapter Benchmarking Report). Given that we heard from chapter leaders that they are struggling with a small leadership pool, high burnout and low program participation rates, it is worth underscoring that many chapters are seriously hampered by size even though FEI chapters overall perform better than the norm in average member participation rates for associations.

Finances: 2020 and 2021 revenues as reported to FEI and/or Guidestar ranged from $23,000 to $693,000. We used known membership counts to establish an average income of $896 per member for the reporting chapters, then applied that to the non-reporting (990N) chapters (number of members times $896). Though not a precise measure, the results suggest that the average income for FEI chapters is around $87,000, median is $58,000, high is $693,000, low is $4,000, and almost 50% of chapters gross less than $50,000 annually (see Appendix A – Chapter Size and Reported/Calculated Chapter Income). This means that for half of chapters, income is likely insufficient to secure association professionals to effectively manage chapter operations.

Service Area: It's important to consider service area alongside member count, for a large chapter whose members are spread around a state usually has less member engagement than a smaller chapter whose members are concentrated within a single metro area. Population density and drive-time are critical for organizations that focus on in-person programs as do most FEI chapters. As can be seen in the Appendix B – Heat Map, the distribution of FEI membership aligns closely with metropolitan rather than state boundaries. Though some cover portions of (or entire) states, the majority of FEI chapter boundaries are metropolitan with a very wide range of population densities (e.g., Western Michigan has only 28 members while Detroit has 575). The Southern Florida Chapter provides a clear example of this challenge as it extends from Miami to West Pam Beach to Naples, cities nearly 100 miles apart which serve two or three distinct markets. It is highly unlikely members in Naples will travel to Miami for programs or vice versa. With a total membership of just over 19, this chapter will undoubtedly struggle to reach a majority of its members (all of whom pay chapter dues) and consistently produce economically viable events.

Highly dispersed memberships often result in under-served members who are unable/unwilling to travel to attend events. Of equal importance, our chapter and volunteer research over the last two decades has consistently shown that large numbers of association members have little interest in in-person meetings, even when they are within a reasonable drive time and thus do not view their chapter as an important contributor to membership value. Though FEI chapters perform better than the norm when it comes to event attendance, 50% of chapter members did not attend any chapter events in FY2022. End result: these members may find the required payment of chapter dues for 80% of the chapters an ongoing source of dissatisfaction.

Structure and Staffing: FEI chapters are independent entities, each with its own board of volunteer directors. It appears a majority have a paid administrator or have retained the services of an association management firm.

Our chapter and volunteer research has consistently demonstrated that professional association management is critical to both organizational success and volunteer satisfaction and performance. While we do not have comprehensive data regarding the number of chapters that have paid administrators nor the extent to which those administrators are fully qualified association professionals and utilize appropriate association management systems and practices, our sense, based on interviews with staff and volunteers as well as our review of chapter websites and reports, is that half or more of the chapters do not have sufficient staff support and struggle to find enough volunteers to fill (without “repeats”) leadership and committee positions.

Beyond staffing, there does not appear to be any consistency in the accounting or membership systems used by the chapters. It looks like a number of chapters use Excel spreadsheets or accounting programs like Quickbooks to track their financials. Most rely on the FEI system to track membership and event registration though a number appear to use outside communications platforms like Constant Contact and membership platforms like StarChapter. Few seem to have any idea how to consistently measure actual member engagement or construct actionable member profiles and performance dashboards to guide program development and assess chapter performance.

Chapter Performance

Generally, the most accurate metric for chapter performance is member participation which is usually reflected in member retention. However, members are required to pay chapter dues so there is no market force at play to affirm chapter value via renewal.

Based on FY 2022 data, the 44 chapters which use FEI’s event registration system held 559 events attended by a total of 22,830 registrants. Chapters produced an average of 13 events per year with the high of 46 and low of 1. The events averaged 34 registrants split evenly between members and non-members. The reported high attendance was 190, and the low was 7.

When we analyzed individual registration data, the 12,808 member registrations were generated by 2,788 individual members, an average of 5 registrations per member (see spreadsheet). 50% of the total member registrations were generated by 21% of those individuals. As expected, there are some members who attend almost all events, some who attend none, and many who attend a few or less. Notably, 48% of all chapter members attended at least one chapter event, with a range 84% to 16%. This is actually a very good set of numbers compared to most associations where the average is in the range of 15-25%.

FY 2022 Event Attendance	*Total Members*	*Total Registrations*	*Unique Registrants*	*% Registrations*	*Average Registrations per Individual*	*% Members*
Chapter Events						
Members	5,813	12,808	2,788	22%	5	48%
Non-Members		10,290	5,811	56%	2	
National Events						
Members	8,441	4,083	1,868	46%	2	22%
Non-Members		5,507	3,692	67%	1	

A number of chapter leaders in the interviews indicated their chapters had collaborated with related organizations in their area in the production of programs. Their perception of the value of this collaboration, however, was mixed and they seemed uncertain regarding the likelihood of further collaboration.

While as many as a third of the chapters may provide some form of career management assistance based on the 2021 Chapter Operations survey, there are no metrics indicating the effectiveness of these programs. The chapters also appear to have a number of committees charged with activities such membership recruitment and academic relations but again there do not appear to be any performance metrics for these initiatives.

Bottom line is there is no valid, reliable basis at the chapter level or system-wide to accurately determine which chapters are consistently delivering good value to the members and the mission. As noted in the operations assessment, there do not appear to be rigorous data collection and reporting systems in place in most chapters. The result is a fragmented data desert in which operational decisions, resource allocation and performance assessment rely heavily on subjective impressions rather than objective metrics.

In conclusion, structural and process issues, volunteer burn-out and an uneven member experience compromise the ability of the chapter system as a whole to deliver a strong compliment to the FEI member value proposition. This is not to suggest that all FEI chapters are underperforming. There is limited evidence from website reviews, chapter leader interviews and financial data that many chapters offer well-organized, high-quality programs and services to the members in their service area. To be an effective (inter)national association, however, FEI needs to deliver consistent value to members regardless of their location, a condition not evident based on our initial assessment.

Recommendations

The following recommendations are to some extent sequential, though some could be implemented in parallel with others or ignored entirely depending on the outcomes of the first two. Here's the list…

1. Confirm the "Why"
2. Get the Data
3. Set the Metrics
4. Take the Load Off
5. Expand the Help Desk
6. Create a System-Wide Volunteer Development Program

Here are the details…

Why Chapters?

Findings from the discovery process described above indicated that networking and education represent the primary purpose for FEI chapters. How well the chapter system as a whole fulfills that purpose is unclear. Given the substantial financial load chapters place on the FEI community at large as noted above, a strategic confirmation of both the purpose and value of the local presence offered by chapters is warranted. FEI competes with a number of associations for limited resources from members of the financial profession. It may well be that a portion of those resources could be allocated to other activities to serve the members and move the mission.

Ultimately, FEI needs to establish a truly symbiotic relationship among all the components of the association including its chapters to provide a seamless and complimentary value proposition to members regardless of their location. Even though 48% of all chapter members attended at least one chapter event, the heart of most chapters' value proposition, 52% did not, though in almost all cases they were required to pay chapter dues. And recall that 50% of the total member registrations were generated by 21% of the chapter members while the majority of chapter members who attended events only registered for one or two during the year. These numbers suggest there could be value in revisiting the dues requirement and levels, a potential source of dissatisfaction among those who attend few events or none at all.

Let's Get Some Data!

As noted above, the "known unknowns" seriously outnumber the "known knowns" and there could be significant "unknown unknowns." Closing these data holes is essential to ensure the steps taken get FEI where it wants to go. This can be done in a few steps:

Conduct an Operational Census – A census of the chapters should provide a more accurate picture of the organizational set-up including staffing and the association accounting and management systems currently in use. This will help determine how chapter programs are managed, looking especially at what is being counted and how it is being counted/reported (see Appendix D – Sample Operational Census).

Dig Deeper Into Existing Chapter Data – As noted above, FEI chapters perform better than the norm among associations with respect to member participation in chapter events. There is quite a range in that performance, however, that warrants deeper analysis. Questions to address might include the following:

- How did Dallas with 408 members produce an 80% participation rate while Boston with 304 members only attracted 22% of its members to chapter events? On the smaller chapter side, what did Knoxville with 50 members do to draw 84% of members to its programs that Louisville with 67 and a 19% participation rate might have tried.

- Why are membership counts in Los Angeles and New York City, the two largest Metropolitan Statistical Areas in the U.S. less than half the counts for Dallas and Boston? To what extent does the presence (or absence) of competition or collaboration with related organizations affect chapter performance?

A comparative look at the member profiles, chapter programming and financial executive markets in these areas could offer invaluable insight and potential growth opportunities for FEI.

Establish a Data Collection/Reporting Standard and System – Regardless of how the chapters may eventually be reorganized (if at all), FEI will need to establish a data collection/reporting standard and system that ensures all member participation in chapter programs is captured consistently (see *Getting to the "Good Stuff": Evidence-Based Decision Making for Associations*). The standard should establish what data is tracked along with the methodology by which it is tracked. Additionally, chapters should use a common system for both financial accounting and all membership management functions which allows for reporting both by individual chapters and system-wide. This will help FEI and its chapters identify bright spots in the system to be replicated and areas where additional support may be needed. This step is fundamental to evidence-based decision-making (vs. fuzzy math, anecdote-based decision making).

The system might employ a common accounting system such as QuickBooks Online and a common AMS such as Star Chapter, ClubExpress, etc. The latter system should be linked via API to FEI's AMS to allow for data sharing and reporting. This structure not only provides an accurate picture of member behavior across the system, it effectively creates a many-to-many help desk for chapter administrators and leaders as all are working off the same platform and can learn from and guide each other.

Member behavioral data to be collected may include, but not necessarily be limited to:

Program Activities
- Registrations
- Presentations
- Articles
- Sponsorships

Volunteer Roles
- Committees
- Board
- Ad Hoc Teams
- Mentorships

Community
- Postings
- Clicks

Other
- Donations
- Purchases

Qualitative measures such as satisfaction and net promoter score should also be collected.

Data collection, however, is just the start. The real value comes from its reporting which, ideally, is delivered through a real-time online dashboard built on a business information platform like Tableau that allows chapter leaders to view their individual chapter statistics as well as overall system performance. National office staff can also look for overperforming chapters whose practices can be shared with others and identify underperformers who may need additional training and/or support.

Set Mission-Related Performance Metrics and Confirm the ROI

The vast majority of association metrics for chapters focus on process rather than outcomes. While this approach sometimes gets all players to operate in a similar fashion, it leaves little room for variation to accommodate local conditions. In other words, a prescriptive, rather than aspirational approach, focuses chapter leadership on administrative rather than key organizational and mission metrics limiting their ability to imagine and implement more creative strategies to achieve the goals of the association.

Organizational and mission outcome metrics FEI should set and track include membership growth, retention and engagement as well as CPE delivered, market penetration, net promoter score, etc. Most importantly, the metrics should be specific, time-constrained, valid, reliable and objective. Vague terms like “more” and “better” do not provide the clarity necessary to ensure that all stakeholders perceive the outcomes in the same way.

Also, consider completing an ROI Valuation Matrix to provide a more objective basis on which to allocate chapter support from the FEI national office. Many associations continue to allocate resources to their chapter system without developing an objective financial rationale for that allocation. This allocation tends to expand over time until its cost butts into other association activities at which point the activity with the most influential advocate (not necessarily the greatest value to the mission or the members) gets the larger share of the budget.

Take the Load Off

At least a third and perhaps more of the FEI chapters struggle under the administrative burden of organizational management. With relatively small budgets and membership counts, these chapters tend to rely extensively on volunteers with little, if any, experience to deal with the operational mechanics (event planning, website management, membership records, etc.) of their chapter. The result is invariably volunteer burnout and chapter underperformance. There are a few options to consider, all contingent on the data confirmation discussed above.

Limited Programming – Chapters often attempt to build a far larger portfolio of programs than they can execute well. We strongly recommend concentrating on a very limited menu tailored to the size and capacity of the chapter. In many cases, a handful of small but meaningful events each year is both sufficient and effective. Over-extending limited resources invariably leads to poor outcomes that burn out volunteers and reflect badly on FEI overall.

Local Networking Groups – For chapters below a size to be determined based on the data analysis above, eliminate the bank accounts and board of directors, and establish a “meet-up” like Local Networking Groups (LNGs). Led by volunteer event planning teams, the LNGs would schedule a handful of free education and/or social meetups each year. These events would be hosted at a free location (corporate meeting space perhaps provided by a sponsor, local library or community center, area restaurant with a private meeting room, etc.) where attendees might hear from a local financial leader, a live/virtual speaker provided by FEI, or archived content from an FEI chapter or national conference. The event promotion and registration should be run through the FEI chapter community site to ensure data tracking. If needed, food could be provided by DoorDash, GrubHub or similar paid by the individual attendees, or vendor-sponsored catering (in which the vendor makes all the arrangements and payment), or just ordering off the menu order if in a restaurant.

These events do not need to be large to be successful. The key here is to focus on creating opportunities for those members who want an in-person forum in which they can connect with and learn from their peers.

Note: If FEI elects this approach, it may want to establish a traveling "road show" or "meeting in a box" for its CPE education in areas served by the LNGs as they will likely not have the resources to conduct such classes. These programs can be run through FEI's existing event management and registration system.

Association Management Company – Several chapters could merge in order to provide a financially appealing contract for a professional Association Management Company (AMC). A number of FEI chapters are currently managed by AMCs (or the FEI national office) so this is building on a known experience within FEI. The merger process requires that all participating chapters formally dissolve, roll their funds into one account, stand up a new board of directors, and devise a set of unifying principles and decision-making protocols that ensure reasonable and proportionate programming throughout the newly combined service area. Silicon Valley and San Francisco, or New York City, New Jersey, Connecticut/Westchester and Long Island, as examples, could be logical mergers based on size and geographical proximity.

AMC's offer a far more effective solution for associations below $1,000,000 in revenues. Rather than an "Executive Director" who may at best have one or two areas of association management skill and experience, AMC's offer a deep bench of professionals who can step in to deal with the full range of functions required to manage an association effectively. See https://amci.memberclicks.net/the-amc-advantage and https://associations.amcinstitute.org/downloadable-resources for more information about AMC options.

Most importantly, an AMC retained by the new board takes over the entire administrative burden allowing volunteers to focus their passion and energy on serving the members and moving the mission. This approach typically reduces or eliminates volunteer burnout and improves overall chapter performance.

Note: individual chapters which currently retain a paid "administrator" may also want to consider an AMC as an alternative to an individual who may be dedicated to the chapter but lacks the breadth of skill necessary to effectively address all the chapter's management needs.

Expand the Help Desk

We tend to assume that the national office is the font of all knowledge when it comes to chapter management, but as can be seen in the performance analysis above, there are a number of chapters which have found ways to generate impressive levels of member engagement. Rather than funneling all intra-chapter conversations through the national office, it may be worthwhile to facilitate an open grassroots approach which allows chapters to more easily and frequently share their ideas and experience with each other.

This process would probably require some communications infrastructure investment beyond FEI Connect and active, on-going encouragement to get up and running. It will also be dependent on the data collection, reporting and metrics discussed above to highlight the bright spots struggling chapters (or LNGs) could emulate. At the end of the day, however, this places the authority and responsibility for the success of the chapters more squarely in the hands of the chapter leaders.

Create a System-Wide Volunteer Development Program

As noted in our 2022 Association Chapter Benchmarking Report, chapters often serve as the "farm team" for national leadership roles. These individuals generally learn their roles at the chapter level and our research and experience have found that far too many chapters deliver inconsistent, incomplete and often incorrect volunteer training and development, if any at all.

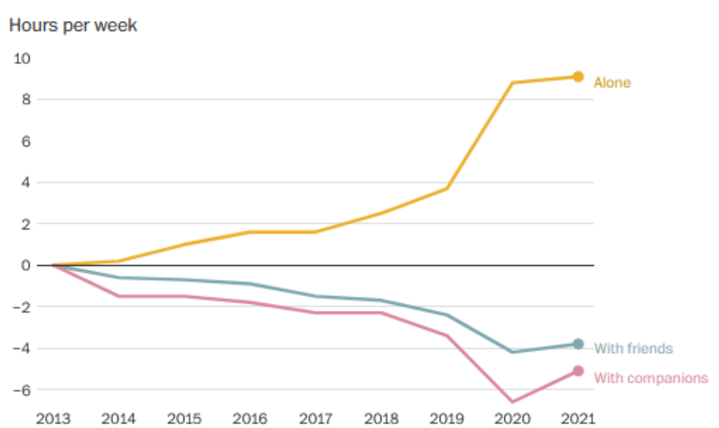
A coherent, well-designed volunteer management system ensures all volunteers start off on the right foot with an understanding of volunteer 101, association 101 and FEI 101. Ideally, as they matriculate through various roles and possibly move into leadership positions, their education and training follow suit, ensuring that if they move up to national leadership positions, they are far more capable and qualified to think strategically about the association and have a clear understanding of their fiduciary responsibilities and duty of foresight. Such a program will also benefit the chapters by providing a strong learning framework for their volunteers.

While this recommendation is outside the direct scope of this project, we found that, more than anything else, chapters that performed well during the pandemic did so due to good leadership, regardless of their size or financial resources. Our Volunteer Training Strategy Toolkit provides a good overview as well as implementation steps for your consideration.

Summary

While the pandemic was a painful experience for most, it was also perhaps a necessary wake-up call to the association community at large. It exposed some serious fissures in our existing structures and brought into question many of our assumptions about "best practices." At the same time, it opened many organization leaders to the need to move beyond incremental improvements to an ill-fitting system and instead, embracing the bigger steps necessary for substantive and worthwhile change.

It should be noted that a recent Census Bureau study suggests that our need for social interaction has been declining over the last decade and this shift could have a major impact on the continued viability of in-person programming for associations generally. FEI chapters' 2022 performance in this area notwithstanding, this trend warrants careful consideration in our organizational planning.



Note: 2020 numbers are not fully comparable to other years because the pandemic impacted data collection.
Source: American Time Use Survey
THE WASHINGTON POST

As is the case with most projects such as this, we often walk away with more questions than answers, but more of the same is not likely to address the issues and concerns which generated FEI's call for help.

The assessment and recommendations above come from an outside source, but the decision to act must be understood, owned and fully embraced internally by FEI stakeholders. So, we will always argue that being open to change and actively exploring new directions, though there may be some stumbling along the way, is the only way you can move forward and position FEI for success in what we're sure will continue to be an increasingly volatile world. Let common sense grounded in objective data be your guide!

Appendix A – Chapter Size and Reported/Calculated* Chapter Income

Chapter	*# Mbrs*	*Revenue*	*Assets*	*(C)alculated (R)eported*
Arizona	177	83,360	264,518	R
Atlanta	56	50,198	69,457	C
Austin	131	57,684	150,565	R
Baltimore	46	41,234	57,054	C
Boston	304	208,512	235,940	R
Central Ohio	25	22,410	31,008	C
Central Pennsylvania	39	34,959	48,372	C
Charlotte	16	14,342	19,845	C
Chattanooga	18	16,135	22,325	C
Chicago	253	396,729	304,198	R
Cincinnati	82	80,220	173,170	R
Colorado	168	166,704	177,227	R
Connecticut/Westche	58	51,990	71,938	C
Dallas	408	692,875	676,646	R
Dayton	15	13,446	18,605	C
Detroit	575	166,500	202,359	R
Fort Wayne	101	90,535	125,271	C
Fort Worth	158	135,543	271,844	R
Hawaii	49	43,923	60,775	C
Houston	154	126,600	412,922	R
Indianapolis	50	69,288	80,691	R
Iowa	32	28,684	39,690	C
Kansas City	114	67,163	123,964	R
Knoxville	56	87,650	128,954	R
Las Vegas	44	57,395	86,306	R
Lexington	8	7,171	9,922	C
Long Island	29	25,995	35,969	C
Los Angeles	60	22,609	102,750	R
Louisville	67	67,144	104,745	R
Madison	45	42,389	116,260	R

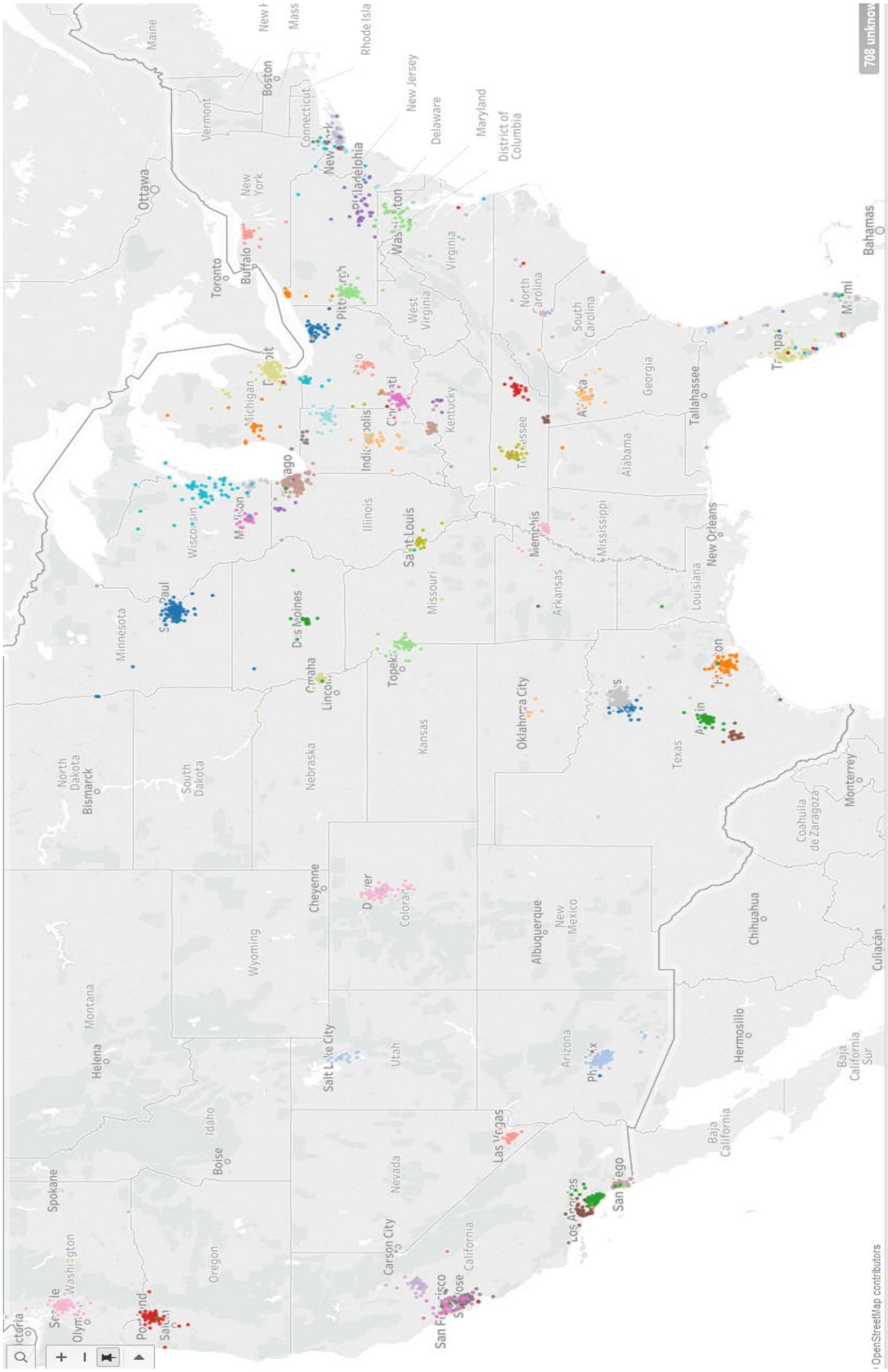
Chapter	*# Mbrs*	*Revenue*	*Assets*	*(C)alculated (R)eported*
Memphis	38	34,063	47,132	C
Michiana	21	18,824	26,046	C
Milwaukee	35	31,374	43,411	C
Nashville	64	59,848	72,852	R
Nebraska	45	40,337	55,814	C
New Jersey	182	73,750	89,018	R
New York City	152	29,006	162,726	R
Northeast Ohio	89	59,982	37,090	R
Northeastern Wisconsin	189	117,372	194,201	R
Northern Florida	12	23,956	32,865	R
Northwestern Pennsylvania	21	18,824	26,046	C
Oklahoma City	5	4,482	6,202	C
Orange County	127	243,966	126,248	R
Pittsburgh	113	99,582	80,869	R
Portland	153	130,275	121,441	R
Rochester	71	96,250	96,262	R
Rockford	15	13,446	18,605	C
Sacramento	71	92,300	131,380	R
San Antonio	70	85,116	91,412	R
San Diego	65	88,527	83,563	R
San Francisco Bay Area	106	57,614	19,653	R
Silicon Valley	202	248,257	427,611	R
Southern Florida	19	17,031	23,566	C
St. Louis	38	25,865	105,000	R
Tampa Bay	123	116,227	44,345	R
Toledo	48	35,453	127,622	R
Twin Cities	235	233,361	373,476	R
Utah	23	20,617	28,527	C
Washington State	115	100,511	258,888	R
Western Michigan	28	25,099	34,729	C

** Total Members for Non-Reporting Chapters times $896*

All Chapters	*# Mbrs*	*Revenue*	*Assets*
Total	5,813	5,210,703	7,209,886
Average	97	86,845	120,165
Median	62	57,649	84,935
High	575	692,875	676,646
Low	5	4,482	6,202

For Reporting Chapters	*# Mbrs*	*Gross Revenues*	*Gross Assets*	*Rev per Mbr*	*Assets per Mbr*
	5,071	4,545,583	6,289,581	896	1,240

Appendix B – Heat Map



Appendix C – Interview Summaries

We conducted confidential telephone interviews with 15 individuals including 3 board members and 12 chapter presidents. The calls served primarily to help us understand the culture of the organization, identify key priorities for the chapters and explore perceived opportunities and challenges.

Primary Purpose of Chapters – There was a broad consensus that chapters' core function is to facilitate networking with peers through in-person events. While important, most viewed high-quality education featuring local industry leaders as the draw rather than the primary purpose placing a sense of community and camaraderie at the center of the chapter value proposition for members.

"Our chapter is the go-to spot for financial executives looking for community – an active network of like-minded individuals who explore relevant topics…a sounding board and an outlet for questions and ideas…and a place where we can help a member in transition."

Chapter Performance – All agreed the pandemic led to a significant decline in membership and participation from which, with few exceptions, all are struggling to recover. Most are attempting to revive in-person events, and while they believe their offered programming is strong, attendance has been difficult to rebuild. Many are experimenting with a variety of format changes including a mix of times and locations as well as novel activities (hiking, murder mystery dinner, community support programs, tours, etc.) to bring members together. Some are also using meetups which create options for members to connect around other purposes (e.g., running club).

Many also noted difficulty attracting younger members and expressed concern that the current volunteers would soon age out and/or burn out leaving a significant leadership vacuum. Only one chapter leader indicated they now have more volunteers than needed. A number of leaders observed that younger members found the traditional meetings unappealing and often ran into scheduling conflicts due to both business and family obligations. A couple started NextGen committees to bring in more junior members. Diversity was also identified as an area in need of improvement by several, though the actual goals and metrics were unclear.

"I feel like I'm pushing a string when it comes to getting members and volunteers to engage with the chapter."

"CFOs are hard to get out of the office – need in-person to get them engaged, but they're not hard-core social persons."

Several chapter leaders also emphasized the importance of showcasing sponsors whose financial support remains essential to funding for the events. Some are also looking at more flexible sponsorship models. Most events are free to members, in essence, covered by their dues, however those funds alone don't fully cover the cost of meals, venues, etc. Some also noted that strategic partners have been very helpful with membership recruitment suggesting that the quality of the strategic partnership relationship is critical.

There appeared to be strong agreement that "we need to modernize and refresh how we tell our story" in order for chapters to fill the seats and grow their membership. All acknowledged that the membership opportunity in the local financial community is exponentially larger than the number represented by their chapter but getting there will require a more consistent branding process and more substantial marketing effort both at the local and national level. Several emphasized the importance of working through a broader range of communications channels including social media and personal member-to-member outreach. A couple have retained local marketing firms to help with member recruitment, promotion, etc.

Much of the assessment of chapter performance appeared to rely on anecdotal rather than data-based analysis, though one leader noted that they assess success via financials, sponsor retention/satisfaction and session evaluations (we get a 9 or 10 across the board), which are reviewed more closely when something doesn't go well. None of the leaders including the latter seemed to have a clear handle on actual membership and participation numbers, nor on the demographics of active and inactive members. A couple complained that national has, but does not share, the data. Another claimed to do all the data management with Constant Contact.

All indicated their chapter employs a part- or full-time administrator, though the extent to which that individual is a qualified association executive was unclear. It appeared the employee worked primarily at the direction of the chapter leadership and performed limited administrative functions.

Chapters and the National Office

Across the board there appear to be gaps in awareness and utilization of programs the national office offers for chapter leaders.

"We don't take advantage of national as much as we could. I know there are toolkits but I've been on the board five years and haven't looked at them once. I don't want to say it's anyone's fault. I didn't take the initiative but in part it's because we're just barely getting things done."

Many called for more opportunities/channels through which chapter leaders could connect and share with each other, though one leader applauded the chapter leader monthly calls. So, if a tree falls in the woods and no one hears it…

Some have explored partnerships with other FEI chapters and/or the local chapter of other national associations with mixed success.

Almost all recognized the need for change but were unsure exactly what to change and how much. One leader suggested FEI keep budget and programming at chapter level but everything else is up for consideration.

"It's important that we shake things up, but I don't know that the chapters (or the national office*) are ready for a real change. The* national office *will need to be very personable to make these changes."*

Appendix D – Sample Operational Census

Membership
Approximately how many of the following individuals do you have in your membership system
- Members _____
- Non-Members _____

Staff
Do you have paid staff?
- Yes
- No

If No go to Volunteers

What type of paid staff do you have? (Check all that apply.)
- Professional Association Executive
- Association Management Company
- Administrative/Secretarial

How many paid staff do you have?
- Full-Time ____
- Part-Time ____

Does your association employ or have on retainer any of the following (check all that apply)?
- Lobbyist
- Lawyer
- Accountant

Volunteers
Including your board, committees, etc., approximately how many individuals currently volunteer for your association? ____
Excluding your board, approximately how many committees or workgroups do you have? ____

Which of the following statements best describes your association's volunteer engagement:
- All positions are filled and there are a number of qualified individuals waiting in the wings.
- Most positions are filled but we don't have many qualified individuals waiting in the wings.
- Most positions are filled but there are several in which the volunteer has served two or more terms.
- We have several open positions and difficulty finding willing volunteers.
- We have quite a number of open positions and great difficulty finding willing volunteers.

Finance
Please indicate the approximate amounts for each of the following:
- Average Annual Revenues (Last three years)
- Average Annual Expenses (Last three years)
- Current Reserves
- Current PAC Balance (If applicable)

Software
Please indicate the name of the software service used for each or the following functions:
- Membership (e.g. MemberClicks, WildApricot, FEI) ___________________________
- Website (e.g. WIX, Wordpress, FEI) ___________________________
- Communications (e.g. MailChimp, Constant Contact, FEI) ___________________________
- Webinar/Meetings (e.g. Zoom, Webex) ___________________________
- Volunteer (e.g. Sign-Up Genius) ___________________________
- Document Sharing (e.g. DropBox, Google Docs) ___________________________
- Accounting (e.g. QuickBooks, FreshBooks) ___________________________
- Social Media (Check all that apply)
  - FaceBook
  - LinkedIn
  - Instagram
  - Twitter
  - Other (Please list) ________________

Insurance
Which, if any of the following insurance policies do you carry (check all that apply)?
- Directors & Officers Liability
- Event Liability
- Other (Please list) ______________________________

Programs
- Over the last three years, approximately how many of the following education programs do you offer each year:
  - Conference ____
  - Seminars/Workshops ____
  - Webinars ____
  - Other (Please describe) ____
- Which of the following activities does your association conduct/offer (Check all that apply)
  - Advocacy
  - Scholarships
  - Mentoring
  - Job Board
  - Other (Please Describe) ________________________________
- How many, if any, social events (e.g. holiday dinner, golf tournament) do you conduct each year? ____