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Choosing Transparency

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> BY LESLIE SHIVERS

Choosing Transparency

We weren't exactly expecting discussions of ethics, communication and transparency in association leadership to produce tales of high adventure at the September Learn-with-Leaders program—but that's what we got! OK, maybe this wasn't the kind of high adventure movie-goers imagine, but it was certainly exciting enough to captivate a roomful of association executives.

The time available for the discussion wasn't quite enough to get the details from all of our panelists, so we followed up with interviews to fill in the blanks.

PR Emergency Response Team

Sam Mamet, Executive Director of the Colorado Municipal League, described how last year's CML summer conference ended up on the front page of *The Denver Post*, and as the lead story on Channel 9 news.

Sounds too good to be true? It was.

"At a time of layoffs, furloughs and budget cuts in Colorado municipal governments...officials from towns large and small have convened at a Vail resort for three days of taxpayer-funded networking and seminars interspersed with parties and golf," according to a June 2009 article from *The Denver Post*.

"I had 800 of my closest friends staring at me and wondering how CML would respond," Sam said. "At that moment, I realized what all the

efforts at staff team building, trust, and open communication could and eventually did achieve."

An incident response plan was set in motion, and phone trees were activated. Staff came together and within a half hour had talking points and a plan for addressing the situation.

"Everyone had great ideas on how to address this situation—because we had to address it," said Lisa White, Marketing and Communications Specialist for CML. "Let's just put it out there and be honest."

Sam and staff reminded attendees of the value of learning and networking, and encouraged them to bring the learning back with them and share it. Lisa reported that one official described the value of the conference

this way: "It's important to learn from mistakes. Thankfully they don't have to be our mistakes!"

After the meeting, attendees received talking points by e-mail to help them respond in a positive way and deliver a consistent message.

A potentially explosive situation was turned into a "teachable moment" for Sam and his staff, and a public relations bomb was defused as the benefits of networking, professional development, and continuous improvement were highlighted by CML's planned and coordinated response.

Being transparent gives you more control because it puts you in a position of leadership, says Shannon Carter, MA, CAE.

Quality Control

Shannon Carter, MA, CAE, CEO of the Competency and Credentialing Institute, faced a dilemma with a different kind of potential for damage to the organization.

Early in Shannon's tenure as CEO, a large and very important annual publication for the society was printed, bound, and 3,000 copies were in the warehouse awaiting distribution.

That's when significant errors in page numbering and referencing were identified.

The mistakes didn't affect the accuracy of the technical information in the publication, and the inventory represented a huge investment.

What would you have done?

"It's harder to practice transparency than to preach it," Shannon said. "You kind of want to hunker down and not

tell anybody."

But the decision had to be made. "We pulped 3,000 books and ate tens of thousands of dollars," said Shannon. The potential long-term damage to the association's reputation would have been far worse than the immediate monetary loss. "We have a quality standard that we can't buy back," she said.

Early in her tenure as CCI's CEO, Shannon made an agreement with her board and staff that she would be "open, honest and transparent" with them. At the same time, she needed to feel safe when conveying bad news to the Board. "It's our problem, not my problem," she said.

The day she had to break the bad news to the Board was the day they were considering her performance evaluation. "The Board immediately understood that this was an opportunity to strengthen our publishing business, and to their credit, didn't use this as an excuse to place blame. They were true partners in the entire process," Shannon said. "The Board/staff partnership was critical to a positive outcome."

She created a coherent package of information before approaching the Board. She avoided going into detail of how the problem developed. "A good Exec does not throw staff under the bus," she said.

You can't control the information flow, as much as you might like to. Being transparent gives you more control because it puts you in a position of leadership. In the end, said Shannon, "our publishing system is better for it." How much trust do you think she built with both her staff and her Board that day?



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Dealing with the Downturn

Marv Tuttle, Jr., CAE, Executive Director/CEO of the Financial Planning Association (FPA), faced a difficult situation brought on by the economic downturn.

The stock market took a 1,000-point nosedive right in the middle of the FPA conference in Fall 2008. It brought on not only a budgetary crisis but a crisis of confidence in the organization and its mission.

“From a major budget and staff reorganization...to working with a board of directors who began to question FPA’s relevance, value proposition and leadership, it all happened in lightning-quick fashion,” Marv wrote.

How members made the decision to join, renew and participate changed that day.

It can be difficult to “muster up the patience, perseverance and stamina required to work through a crisis situation,” Marv wrote. “How do you make a comeback when you feel like you’ve been down for the count? What are the lessons learned?”

Before he knew the extent of the problem, Marv went to the staff and explained that the budget would have to be cut and layoffs were likely. His approach kept staff and the Board informed and engaged throughout the process that resulted in budget cuts of 25% and the loss of valuable staff members.

FPA’s members were also facing uncertain futures and the likelihood of foundational changes in their industry.

The situation created an opportunity—and a requirement—that FPA re-think its essential functions, and to redesign many services.

Despite significant staff reductions,

FPA added benefits during the downturn. Lauren Schadle, FPA’s Associate Executive Director/COO, said that the key focus was to make sure that the “membership experience and value proposition remained intact.”

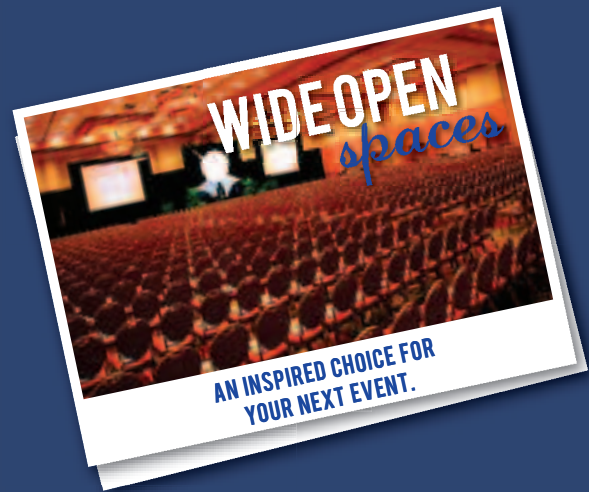
By creating new member benefits, being flexible with payment plans for hard-hit members, and re-thinking the core value in member services, FPA membership

has stabilized and is well positioned for membership growth (with a net gain of 130 last month), and with a reinvigorated vision of the future.

The Board’s crisis of confidence was also short-lived. As Lauren pointed out, “The people who serve on FPA’s Board were directly hit by the downturn. What we are dealing with, they were dealing with on their own.” The crisis led to a “heavy period of introspection [which] spilled over into their work on the Board,” and propelled FPA into thinking creatively about how to communicate the value of being an FPA member.

Serendipitous Departmental Reorganization

Just last May Sara Nakon took on her new role as **Membership Services Director** for the **Professional Ski Instructors of America** and **the American Association of**



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Snowboard Instructors (PSIA-AASI) to “shift the structure and service of the membership services department.”

“It’s important to learn from mistakes. Thankfully they don’t have to be our mistakes!”

PSIA-AASI had created a new AMS that revolutionized the accessibility and functionality of its membership databases. The association’s leadership recognized an opportunity to move their membership functions to a new level that would better serve members and the organization. Sara was hired to make the vision a reality.

During the transition staff numbers were reduced, and the kind of confusion ensued that so often comes with sweeping changes. It affected services for a time, and members noticed. It might have been tempting to deflect complaints or cover up problems while working to address

them behind the scenes, but Sara responded differently.

“On my first day I discovered that being transparent with the members by telling them we were going through a transition allowed the member to feel a part of the transition, opened the door for input, and overall made them appreciate our hard work.”

The benefits of making the changes are already clear. Communications have been standardized and branded, more accurate information is captured, and the society is connecting with its members and divisions (chapters) in a whole new way. For the first time, PSIA-AASI was able to email non-renewed members in all divisions, resulting in 900 renewals within two weeks.

Sara’s straightforward approach to

communicating with members during the transition can probably be credited as a major factor in members’ swift acceptance of the changes and their understanding of a few hiccups in the transition.

The Limits of Communication and Transparency

Not every audience requires transparency in communications. Without boundaries, transparency becomes gossip, a public relations disaster—or even worse. **Diane Matt, CAE, Executive Director/CEO of Women in Engineering ProActive Network (WEPAN)**, moderated the program. As she pointed out, “EVERYTHING you do, or say, or wear, or gesture, or make a face at, or be flippant about communicates something about you AND your organization. ■

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