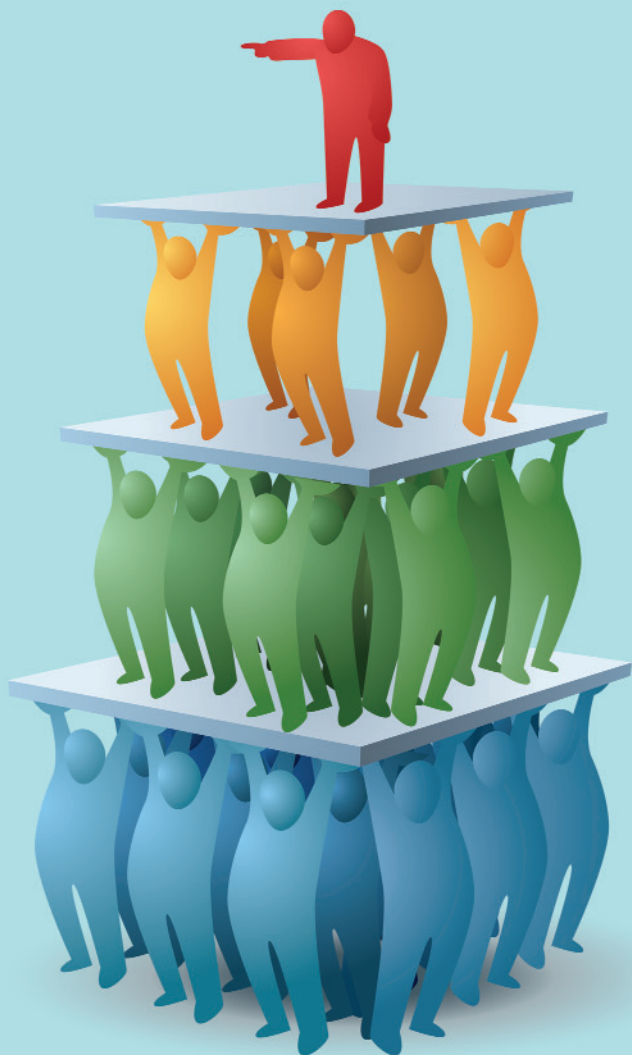


A guide for
board members
and executives
of not-for-profit
organizations

Presented by



***What to Consider When
Partnering with an AMC***

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PARTNERS IN PROGRESS

Accountants.
Attorneys.
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PR firms.
IT specialists.

Consultants often play a critical role in the success and long-term viability of an organization. In the not-for-profit arena, as more associations struggle to do more with less – fewer staff and reduced volunteer time – the efficiencies of using outside professional management resources becomes more appealing.

Not-for-profit organizations tap many resources to achieve their goals. Increasingly, volunteer leaders and executive directors representing thousands of trade associations, professional societies and charitable organizations are partnering with Association Management Companies (AMCs) to help raise their not-for-profit to the next level.

Partnering with an AMC

Association Management Companies (AMCs) are specialists in managing not-for-profit organizations and associations, providing senior leadership, management services and resources necessary to solve today's issues and plan for the future.

Most AMCs serve as client headquarters, managing day-to-day operations and providing staff members who are experts in various management functions. For not-for-profit organizations that have a staff in place, AMCs provide a range of consulting services from strategic planning and membership development to communications and advocacy. Additionally, the overhead costs are shared by the AMC's client associations and not-for-profits, increasing resources and capabilities without major investment.

Getting Started

What are the indicators it might be time to consider an AMC? Where can you find information on the AMC model? What services do AMCs provide? Is full-service management or specialized consulting services the best fit for your organization?

This guide offers answers to common (and uncommon) questions from leaders of associations and not-for-profit organizations considering partnering with an AMC.

For many associations and not-for-profit organizations, **AMCs are the ultimate partner.**



PARTNERING WITH THE RIGHT AMC FOR YOUR ORGANIZATION

Step 1: Conduct an Organization Audit

It is important for not-for-profit leaders to periodically conduct an organization audit identifying areas that could be enhanced. For example:

- Is membership increasing, declining or remaining flat?
- Are policies and procedures current?
- Do you have the right person serving as the industry spokesperson?
- Do you have a designated individual who could testify before Congress if called?

Once you have completed an organization audit, your board should evaluate whether the existing staff has the skills, tools and time necessary to enhance these areas. If not, your organization can choose to go in one of two directions: hire additional staff, or partner with an AMC for specialized management services.

Step 2: Become Familiar with the AMC Model

From day-to-day operations to select management services, AMCs are the source of information and expertise to not-for-profit organizations.

Today there are more than 700 AMCs around the world. Larger AMCs employ up to several hundred staff specialists, while smaller firms may have two or three professionals. What do they have in common? Across the board, AMCs provide a wealth of association

management experience through proven best practices and shared resources. Because they manage more than one association, their skills and knowledge base are broad and substantial.

AMC Institute, the trade association that represents the Association Management Company (AMC) industry, provides information about the AMC model on its Web site at www.AMCInstitute.org.

Step 3: Prepare an RFP

The process of preparing a Request for Proposal (RFP) is a good exercise and will help your organization re-focus on goals and strategies.

AMC Institute has developed a four-part online RFP, complete with step-by-step instructions. After providing an overview of your organization, you'll be prompted to outline scope of services including financial, meeting and membership details. Be as specific as possible, and avoid withholding financial information in the interest of trying to get a low-bid proposal. Common expectations are critical to a successful relationship between an association and an AMC. To elaborate on specific strategic issues, your organization can upload its own RFP document.

Step 4: Distribute your RFP

Once you've packaged your RFP, the next step is to determine how best to distribute the information. Use the online RFP form to solicit proposals from more than 150 qualified AMCs, or narrow your search by geographic location, size, Accreditation status, client type or management specialization.

Step 5: Evaluate Proposals

When evaluating proposals and interviewing AMCs for your not-for-profit organization, consider:

- Years of experience
- Client mix
- Client loyalty
- Staffing options
- Capability
- Leadership
- Whether the firm has achieved AMC Institute Accreditation

Volunteer Board Leaders: The Benefits of Partnering with an AMC

As a volunteer leader, your primary role should be to provide strategic counsel and direction to ensure the success of your not-for-profit. By partnering with an AMC, you can:

- Customize staff activity to meet association needs
- Maintain continuity of business operations during changes in leadership and staff
- Create cost-effective solutions to personnel, equipment, facilities and other budget considerations
- Ensure an affordable, high degree of professionalism, management expertise and technology through shared resources

Case Study: *A Numbers Game*

In 2000, the American Academy of Hospice and Palliative Medicine (AAHPM) was grappling with declining membership numbers and dwindling revenue projections. It turned to Association Management Center to help rebuild and re-brand the Academy, expand the membership, and introduce new products and services. In eight years as a full-service management client, AAHPM has experienced double-digit increases in membership and revenue, due in large part to the creation and promotion of a range of member benefits including the annual assembly, a journal, new educational products, special interest groups, and other programs developed and launched in partnership with Association Management Center.

AMC SERVICES

AMCs provide not-for-profit organizations with the expertise they need, when they need it. Operating within a framework of shared resources, overhead costs for professional services are shared by the AMC's client associations and societies, increasing resources and capabilities without major investment.

AMC specialists are drawn from a pool of personnel resources and are assigned on an as-needed basis. Your appointed chief executive officer (e.g., president, executive vice president, executive director, secretary general) will work with staff specialists – for example, a publications editor, an exhibits manager or a research team – to assist with special projects and membership programs.

Each client pays only for the hours staff specialists put against specific tasks, thereby benefiting from the professional expertise without paying the costs associated with hiring full-time staff. Beyond cost-effectiveness, the model allows client services to be customized to meet specific goals.

Specific services include:

- Executive, administrative and financial management
- Strategic planning
- Public affairs and lobbying
- Issues advocacy (government affairs and communications)
- Membership development
- Meeting/convention/trade show management
- Marketing and communication services
- Education and professional development
- Promotional and education programs
- Certification
- Codes and standards
- Statistical research
- Creative services (brochures, newsletters, magazines, etc.)
- Technology and Web site support (webinars, podcasts, etc.)
- Database management

Case Study: *Changes at the Top*

When the executive director of the National Renal Administrators Association (NRAA) resigned after six years, the association Board decided to move away from their consulting firm in favor of a well-established management company with solid in-house resources. Via AMC Institute's online Request for Proposal process, the Board found NRAA's perfect management match in veteran association management company Fernley & Fernley. From relocating headquarters to a shift in daily operations, Fernley & Fernley ensured a seamless transition for all members, providing personalized customer service and, at the same time, ample management resources to facilitate growth.

THE AMC ADVANTAGE

- AMCs ensure depth and continuity
- AMCs provide a wealth of association management experience. Because they manage more than one association, their experience and knowledge base are broad and substantial
- AMCs remove all HR concerns for volunteer boards

Executive Directors: Enhance Your Existing Team

Partnering with an AMC allows you to concentrate on strategic policy issues rather than administrative tasks, providing cost-effective solutions to personnel, equipment, facilities and other budget considerations.

You will have access to staff members who are experts in various functions including IT resources, database management, membership development and meeting planning, to name a few.

Case Study: *Strategic Spirit*

In 2005, with consumer research showing a decline in traditional Christmas celebration, The National Christmas Tree Association (NCTA) approached Drake & Company in low spirits – and in the red. To drive demand for Christmas Trees, Drake & Company capitalized on the growing trend of cause-inspired marketing and developed a strategic plan to establish a charitable branch of NCTA.

After conducting a Harris Poll of charitable consumers on potential names for the organization, the Christmas SPIRIT Foundation was born. Drake & Company partnered with a law firm – also an AMC Institute member – to obtain 501(c)(3) charitable foundation status from the IRS, in less than 30 days.

To bolster the spirit of Christmas, Drake & Company and NCTA launched Trees for Troops, a cause marketing campaign that delivers Real Christmas Trees to U.S. military families. With the support of FedEx, in three years the program has delivered some 33,000 trees and has grown to include 850 donors.



*Trees for Troops at Fort Campbell, 2005.
Photo courtesy of Drake & Company.*



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AMC Institute represents the Association Management Company (AMC) industry and boasts more than 150 AMC members throughout the U.S., Canada, Europe and Asia. AMC Institute promotes service excellence among Association Management Companies, and strives to raise awareness of a burgeoning AMC industry by establishing its member companies as the recognized and preferred choice for quality association management and professional services. For more information, visit www.AMCInstitute.org.

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