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Focusing on the services and added value for your members:

Besides political representation some EU business associations are expanding now from the EU representation mission into new servicing areas. But which activities can generate such added member value? How should EU business associations react to emerging changes in business practices that call for associations to seek alternative revenue generating options and to streamline resources?

Why is the question about services raised?

Generally speaking, any business association develops three types of activities: lobbying or advocacy, image building and services (such as training, social dialogue, standard setting, research). The management provides the continuity as central link, infrastructure, and the body of knowledge. The staff team must be providing the infrastructure and knowledge center, which ensures that / allows for the three blades to run smoothly.

Most of the European associations started as a Federation of national associations with a very modest budget and narrow focus, mostly on monitoring, representation and lobbying the EU.

Companies more and more question the need for memberships of various associations to which they belong and want associations to develop services for which they can pay on an ad hoc basis, in order to keep the basic fees as low as possible. In difficult economic times it is important for business associations to offer more than political representation and add value to membership.

Questions are: "Why do we belong, what is the cost-benefit relation and what alternatives do we have as a company in the shorter and longer term?" Associations that are pro-active know they need to make choices, better position themselves and timely deliver services in close cooperation with their members.

It proves to be very important for European associations to stay focused on continuing to add value for their members, as currently a number of companies, especially multinationals or regional companies are analysing the very need to belong to "so many" national and European associations. Increased competition and evaluation will lead to mergers, acquisition or termination of services or the complete association.

As one of the participants in the EuroConference remarked: a good executive is not on the defensive, does not wait until the (company) members start to change your organisation. In stead, you must be leading change together with them.

What are the steps for introducing new services?

New ideas for additional services should not be an add-on and an extra reason for the staff to stay in business or for the association to have an additional raison d'être.

Added value services have to be developed pro-actively in the context of what the eventual customers (companies) strive for. Here is how:

1. Combine it with strategy and planning
 - Develop and evaluate the service with key members (survey, study, interview)
 - Time it at the start of a new business cycle (budget year, discussion of strategic plan etc)
2. Scan the environment you are in:
 - Make sure you know the "competition" from other associations or businesses and consider alliances or differentiators
 - Draw up the association "landscape"
3. Verify whether members or secretariat staff can develop the services.
 - Pose the question how it interferes with or benefits from the fact that you have membership interest and staff competencies in those areas?
4. Prepare and measure your performance
 - Design measurement (metrics) on performance of the organization (members, staff, stakeholders), as well as revenue and costs models
 - Evaluate staff, including the head of staff, on key performance indicators
 - Do come back to the strategy and planning on a regular basis
 - Have the courage to treat services development as projects with the option to stop the project or committee or service quickly when and where needed.

It means that you need to evaluate - and possibly use external strategic advisory services to help to evolve the association or to put it in the right direction when looking at the place of the association in the total "landscape" of the associations in Europe (or globally)

What are some of the examples?

If and when the association has satisfied the primary needs for the majority of the membership, the association can consider adding those services.

Examples include:

- Research: how to analyze EU Framework Programs, identify opportunities and collaborate in pre-competitive research programs; at the EuroConference a key success formula was presented Dr A. van Zyl, Director of EUCAR, the research arm of the association of European car manufacturers.

- Intermediary services: training and consulting as well as benchmarking of markets, production or products; Directories, job postings; business KPIs, Economic Industry Outlook, payroll structure, Statistics, Information Exchange about the business respecting competition law rules of course.
- Awareness building in new policy areas, like Corporate Social Responsibility; this concept was introduced at the EuroConference by B. Velge, Director of the Belgian Employers Association VBO/FEB
- Social dialogue, currently mostly executed by national associations, could over time require a more European approach. With a renewed impetus by the European Union towards the setting up of European Social Dialogue Committees (currently over 30 EU Social Dialogue Committees exist in different sectors ranging from Transport to Textiles or Audiovisual), it is important that European federations are prepared and aware of the importance of this policy sphere. Review of the Working Time and Workers Councils Directives are only two of the major policy initiatives in the pipeline, which will have a horizontal impact across a number of employers / industry organizations.
- Trade shows, Events, Meetings and Conferences beyond what is needed to support the core activities

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