

Association governance models

There are two governance models out there for associations: the board-governed and -managed model, or so-called volunteer-run (VR) type; and the board-/management-delineated model, or the “volunteer-driven, staff-run” (VDSR) one. In the United States the second model is predominant, while here in the Philippines, it is the first, based on a preliminary survey by the Philippine Council of Associations and Association Executives (PCAAEE).

A typical association governance structure consists of the board of directors (or trustees), which is elected by members and acts in their behalf; committees, task forces, components (or chapters) and staff. In the VR model, this governance system is solely undertaken by volunteers not compensated for their work. The difference between these models lies in the staff complementation. In the VDSR model, the management staff, headed by a chief staff officer (CEO or executive director) is composed of professionals, i.e., salaried employees.

Based on the study of the American Society of Association Executives (ASAE), here are some of the differences between the models:

Activity focus—In the VR model, activity focus is built around successful programs and short-term membership services. In VDSR, activities are driven by strategic priorities and professional business planning in a holistic view, with focus on the return of investment (ROI).

Strategy positioning—Emerging needs and market opportunities are restrained by lack of resources in the VR model, while in VDSR, resources are proactively planned with a focus on integration and delivery of strategy.

People resource availability—In VR, knowledge and talent are not as steady, since they are based on volunteer availability, while in VDSR, knowledge and talent allocation is planned, recruited and cultivated, hence, knowledge is stored and retrievable.

Community dimension—A responsive community with key drivers is how best to describe VR, while in VDSR, it is a multidriven community with as many involved in the group.

It is apparent from these that the VDSR would be a better option to emulate and adopt as a governance model, but this is easier said than done, particularly here in the Philippines. Most associations and membership organizations in the country, as the PCAAEE has uncovered, are relatively small in membership numbers and low in financial resources.

These organizations, instead, make do with unpaid volunteer time and shared resources. Moreover, even if these associations have the means to employ professional association managers, the talent pool is still quite limited and this is exactly what the PCAAE is trying to address.

Since its inception in November 2013, PCAAE has produced, under its PCAAE Academy, 12 certified professional association executives, who are currently employed by its member-associations. There are about a dozen more to be certified but these numbers pale in comparison with the number of associations and nonprofits registered with the Securities and Exchange Commission, which of recent count is about 250,000 nationwide.

The body of knowledge and practice of professional association governance and management in the Philippines is still quite in the infancy state compared with that in Australia, Europe and the US. The association executive position is not even recognized as a profession here.

PCAAE believes that for associations to be successful and sustainable into the future, they have to be well-governed and professionally managed.