

ASSOCIATION FINANCING SUSTAINABILITY - INTERNATIONAL APPROACH

Saudi Meetings Industry Convention, Riyadh

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About Associations Forum



Facilitator's Career as Association professional and Volunteer Director = 29 years

1. 20's – BCom (UNSW), large corporates; Boards of professional association
2. 30's – Association manager and CEO of small association; Board of professional association and Chair of local community association
3. 40's – Established Associations Forum: providing education and advice to associations
4. 50's – Consolidation of Associations Forum and training of associations in Australasia and Asia

Types of entities

1. There are not two types of ownership: public & private
2. There are *three* forms of “ownership”:
 - Public/Government
 - Private/Business
 - Associations

Associations = crucial infrastructure for KSA

Three forms of “ownership”

For-profit
businesses

- Ownership can be bought & sold

Government

- Authority and law of the nation

Associations

- Involvement & control at the time

‘Mission-driven’ organisations include:

- a. Associations = any legal cause
- b. Charities = specified ‘good’ causes

Missions include professions, industries, communities, sports, arts, religions, unions, NGOs

What are associations?

1. Associations have members as “owners” and they serve members
2. They are a large, politically-neutral, service industry
3. Passion starts with volunteer members and leads to hiring staff
4. Associations are not NGOs (activist) but they are often associations

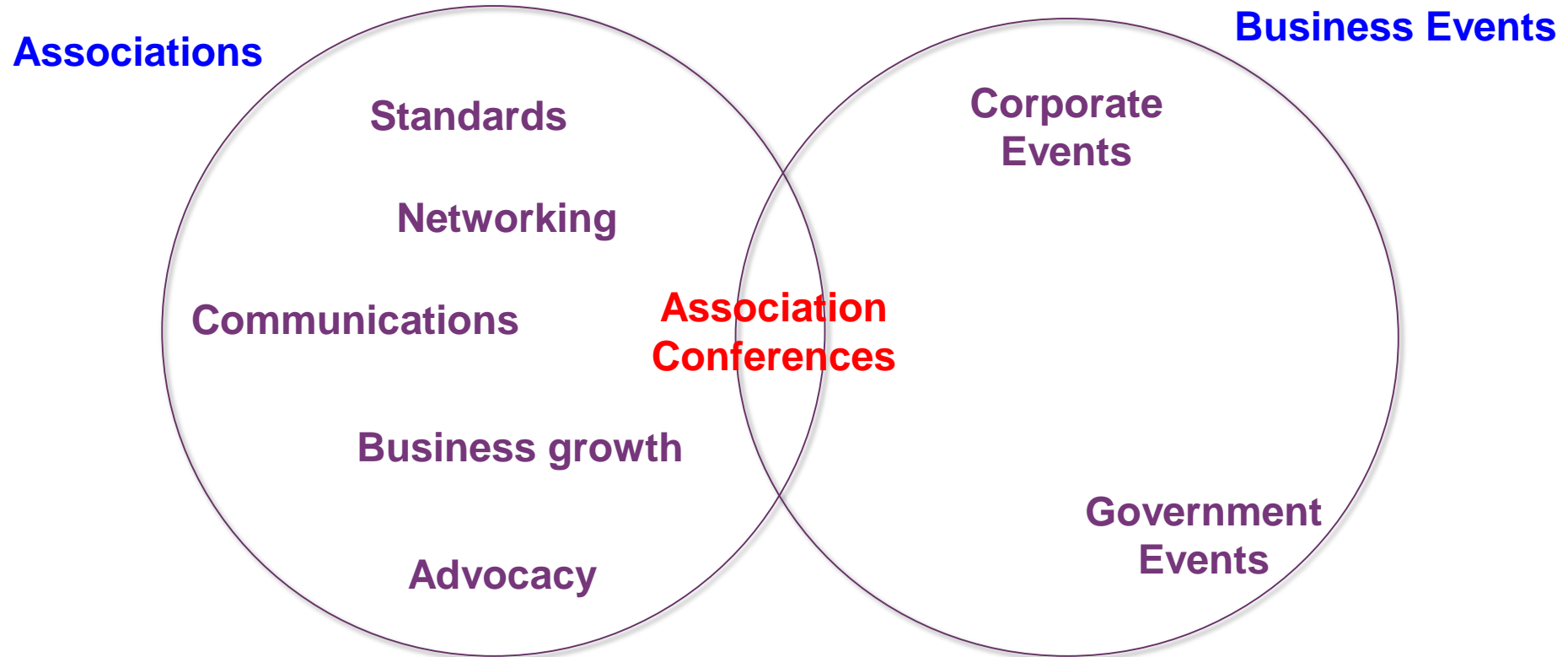
Associations are strong & growing overseas

1. Across the world, there are associations for every legal area
2. Professional / industry / interests
3. They prosper because members never get financial dividends
4. Therefore, associations are very financially sustainable 😊

Associations offer services to members

1. Professional / industry standards & accreditation
2. General advice and technical helpline
3. Communications and publications
4. Advocacy to improve regulations
5. Research and best practice
6. Ongoing education
7. Informational conferences & expos

Connection between associations and business events



Association development is crucial

1. Associations are the 1st or 2nd biggest event organisers with corporates
2. They are more “recession-proof” than corporates
3. Associations sector in KSA must be developed as it is win : win : win
4. **Problem: expectation that the government should fund the sector**

Association venues & destinations

1. Always remember most associations make most profits from events
2. Associations are not extravagant & need practical, affordable venues
3. Airports nearby & adjacent hotels
4. Good food, service, condition

The appeal of Saudi Arabia

1. Saudi Arabia is seen as a fascinating, dynamic and modernising nation
2. People say “wow” when someone say they are going to the Kingdom
3. International federations rotate among regions – use this fact
4. Get Saudis onto Boards of international federations

Associations have huge potential for KSA

Associations:

1. Provide relevant and specific services to members
2. Are cheaper to run than government bodies
3. Grow to employ many people, including young people

Association financial sustainability: international approach

1. Assoc'ns never distribute \$ to members
2. Hence associations get wealthier
3. Assoc'ns employ quality staff & empower staff to achieve target results
4. **Conferences are #1 source of profit**
5. World Congresses can be very profitable
6. Aim for \$ZERO government funds

Tips for successful associations

1. Grow the association like it is an ambitious start-up
2. Charge what you are worth: membership, registration, sponsorship packages
3. Do not rely on government funds
4. Use marketing and sales to grow membership
5. Use services and engagement to retain members
6. Have a hands-off eyes-on Board of 9 that employs CEO
7. Have good governance and constitution
8. Invest by employing lots of people
9. Do an annual strategic plan

Quotes from earlier at SMIC

- *“Develop national and regional targets”* – Juan Garcia, ICCA
- *“We need enablers in various sectors to develop meetings”* – Eng Abdullah Al Abdulkarim
- *“Local Saudi events are big e.g. National Association of Diabetes”* – Tom Hulton, IMEX
- *“Women are good organisers”* – Dr Zohair



Thank you!

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