

## **BOMA International**

### **Executive Summary—Executive Committee Strategic Planning Session: Creating a High-Performance Organization**

*March 19, 2011, Washington, DC*

#### **Facilitated by**

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#### **Goal**

The BOMA International Executive Committee's spring meeting always focuses on looking at future opportunities for BOMA. The group met in Washington, DC on March 19 to discuss strategies for building on recent successes, including the BOMA One initiative, in order to catapult the BOMA federation to the next level. The goal—to ensure that BOMA is the association of choice for commercial real estate by building a strong BOMA federation that is well positioned to:

- Address the current and future needs of our membership and the industry,
- Leverage the full strength of our membership to advance our goals in advocacy and regulatory affairs, and
- Deliver the greatest value to members and customers in education, research, standards and other services to ensure BOMA's future as the premiere commercial real estate trade association

#### **Opportunity**

In 2004, recognizing that the environment for commercial real estate—and for associations—was rapidly changing, BOMA International launched the BOMA One Task Force to develop a collective strategy to ensure that all parts of the BOMA federation continue to be relevant and deliver maximum value to members and the industry. That initiative had a powerful, unifying impact on the federation, positioning it to strengthen the BOMA brand, deliver consistent service across all markets, enhance services and information available to the industry and build strong relationships across the network based on mutual trust, respect and open communications. Today, BOMA International is a strong and vibrant organization, perhaps at its all-time best.

The BOMA International Executive Committee believes that the time is right to build on the success of BOMA One and other efforts and explore business, relationship and growth opportunities to create a high-performance business across the organization. The group wishes to take advantage of what it sees as a “window of opportunity,” based on our recent successes and brand strength, to address business issues that may be necessary to advance BOMA to the next level of success. These issues include:

- The probability that the economy will rebound slowly
- General perception that BOMA dues are “too high” and may be a barrier to membership
- Competition from other associations and for-profit businesses for members' time, money and participation
- Open, transparent communication on financial and other matters between BOMA International and local associations
- Additional marketing effort needed to maintain or grow attendance and participation in BOMA International and local events, education, sponsorships and leadership opportunities
- For national companies participating in multiple local associations, increasing questions about the disparity in dues structures and amounts, resources, image and services among locals

## Approach

Using an approach that identifies opportunities vs. problems, called “appreciative inquiry,” the consultants facilitated discussion and small group work to uncover bold and practical ideas and concepts around the following:

- Organization, structure and financing for not-for-profit associations
- A range of business models and approaches to structure, pricing, income and expense sharing, product and service development, communications and support
- How decisions are made within the culture and structure of the BOMA network
- Impact of changing demographics and other future trends on the way people interact with associations

## Pre-Planning Survey

Prior to the planning day, executive committee members and senior staff were asked to respond in confidence to the following ten (10) questions. Below each question is a statement (in italics) that represents the majority of responses:

1. How does the rank-and-file member prioritize tangible benefits, such as education, networking, etc. in relation to issue-oriented benefits, such as public policy, advocacy and regulatory issues? How do you prioritize the two?

*“Rank-and-file” members are more tuned into the tangible benefits while owners and more seasoned, involved members also recognize and value the importance of the “issue-oriented” benefits. Responders believe both are important.*

2. In what ways does BOMA foster a sense of community? In what ways does it not?

*The federated structure helps build a sense a community that starts with local involvement and then builds to the International level. The latter tends to be a smaller network because time, cost, interest and other factors may prevent members from fully participating.*

3. What would be lost if there were no national BOMA (i.e. BOMA International)? What would be lost if there were no local BOMA network?

*Local associations foster a sense of community, provide networking opportunities, deliver important and meaningful benefits and services and provide critical, grass-roots information and support on local, state and international issues. BOMA International helps facilitate the exchange of marketplace data, trends and knowledge; provides critical support to local associations; helps ensure a strong and consistent BOMA brand; delivers a broad range of products and services and provides a strong, national voice on federal advocacy and regulatory issues.*

4. What is the relationship between BOMA International and its locals? How does this differ from the relationship you believe would be ideal? How do you recommend we overcome the barriers to achieving the ideal relationship?

*Thanks to the BOMA One initiative and other programs, the relationship between BOMA International and local associations is stronger and more positive than ever. However, the extent to which the rank-and-file members understand and recognize the value of BOMA International varies from local to local. Due to time, money and other constraints, members sometimes have to choose between participating at the local or national level. A more coordinated effort could be*

*achieved through more tools and resources from BOMA International to support locals, as well as better, more creative and more efficient communication.*

5. If you were to create the perfect BOMA local association, what benefits and services would it provide? Is this different from what is currently provided? How?

*The “perfect” BOMA local association would have all the resources needed to cultivate member and customer growth, develop and provide a full range of benefits, develop effective leaders and more fully leverage the larger national network.*

6. If you could change one thing about BOMA and the BOMA network, what would it be?

*Increase resources (staff and financial) to support/coordinate education, research, advocacy, PAC, codes, local associations; outreach to young professionals; ability to access all members and for all members to experience BOMA International; better communications; a BOMA designation; expand membership and research to include all CRE niches; more consistent membership and dues models; better communications between and among BOMA International and local associations.*

7. When did you first join BOMA and how did you make the decision to do so? Has participation in BOMA made you more successful? How?

*Most responders have been involved in BOMA for 15-20 years. Membership in BOMA provides the opportunity to improve education and knowledge, leadership skills and confidence. The BOMA network fosters friendships, important business contacts and opportunities and career changes and growth. Most can directly link their success to their involvement with BOMA.*

8. What do other real estate associations you belong to do best?

*Variety of responses – IREM, ULI, ICSC, NAIOP, local real estate boards, USGBC etc. IREM is recognized for education, ULI for research, NAIOP for its strong PAC and young professionals programs, real estate boards for advocacy efforts. Only 3 reported involvement only with BOMA.*

9. If BOMA International had unlimited resources, what should/could it do that it isn't doing now?

*More staff, stronger PAC, R&D fund, more marketing resources and market research, stronger advocacy/lobbying at all levels, more targeted education, more local association support (more than one responder suggested establishing regional offices to support locals), Foundation endowment fund, ability to offer some programs and services at lower cost or free, outreach to young professionals, publish more, survey members regularly, larger international presence.*

10. Add additional comments.

*Comments tended to repeat or support responses above. The group is open to discussing financial, structure, communications, governance, accountability and other business and relationship issues in order to strengthen the BOMA federation.*

## **Break-Out Sessions**

### ***Break-Out Session #1***

The first break-out session tasked the participants to:

- Talk about a time at BOMA you considered a high-point experience—when you felt most engaged, alive and vibrant

- Identify the factors that give life to an organization when it is at its best
- Describe BOMA five years from now when everything is as you always wished it could be
- List the words that describe this organization

The groups came back with stories about getting involved for the first time in BOMA *International*—the great “awakening” when they discovered the power, breadth and scope of the organization and its services. They emphasized the keen sense of community that members feel, first at the local level and then at the International level, and expressed regret that only a small fraction of the 16,500 members have directly experienced BOMA *International*. Words used to describe BOMA include:

Vibrant	Engaged	Business backbone
Resource rich	Creative	Great awakening
Strong	Alignment	All building types
Flexible/nimble	Advocacy	Unfiltered information
THE Voice	Trust	Plugged into the cloud
Trusted source	ROI	Collaborative
Research and development	R&D	Younger demographic
Business partner	Transparency	Benchmarking

Common themes and ideas that emerged from this break-out session included:

- Benefits of a central database of members, prospects and customers in order to:
  - Quantify the economic impact of the commercial real estate market
  - Increase the clout and power of BOMA advocacy messages
  - Enhance communications at all levels of the association
  - Grow membership for BOMA locals and revenue from dues and customers for both BOMA International and the local associations
- Building on BOMA One, further refine our business relationships. BOMA International needs to be clear about what it needs locals to do; locals clear about what resources they need to do it.
- BOMA International needs information from locals regarding:
  - Market penetration
  - Data on number and types of members and prospects
  - Reports on legislative activity, conference and seminar attendance, financial performance, staffing, etc.
- BOMA International needs to provide resources to locals for:
  - Membership sales
  - Conference, education, event promotion
  - Legislative action
  - Standards
  - Leadership development
  - Marketing the value of BOMA
- BOMA International and the locals should agree on a strategic approach to associate/allied memberships and participation, which might include:
  - Centralized negotiation for memberships, sponsorships, discount pricing
  - Growing principal memberships in order to shorten waiting lists for associates/allieds
- BOMA International and the locals need a sales strategy for building membership and other sales revenue and participation, which might include:

- An international “sales team” of traveling salespeople
- Sales training for locals, including growth quotas and goals
- Opportunity for BOMA International to also recruit and sell memberships for the local associations
- Evaluating and ensuring the most effective dues structure and membership models for all locals in the future

### ***Break-Out Session #2***

After a discussion of various alternative business models, the groups were assigned to propose a model for BOMA International if they were creating BOMA International today. Following are the ideas/themes that were common to all four for exploration:

- Consistency across all markets, building on BOMA One
  - Services, guidelines, standards, benefits and the members’ “experience”
- Long-range need for effective membership/customer pricing
  - Flexible enough to accommodate market differences
  - Model that encourages and supports growth
  - Possibility for addressing corporate memberships
  - Possibility for allowing membership portability to other locals
- Central, comprehensive database
- More robust revenue sharing/incentive program to locals for membership, product sales
- Ability to offer menu of services to locals on fee-for-service basis
  - Large and/or strong locals operate as “locals”
  - Small and/or struggling locals operate as “chapters” with BOMA International support
- Some functions centralized to take advantage of economies of scale
  - Administrative functions—what more can BOMA International do to free up administrative time to allow locals to do more?
  - Flexibility for membership and other sales at International and local levels

### **Recommended Next Steps**

- Distribute Executive Summary (this report) to the Executive Committee for review and approval.
- Draft a brief communications piece to BOMA locals reporting on the March strategic planning event, along with a short survey to ascertain the locals’ positions on several broad issues that were identified by the Executive Committee for further examination.
- Conduct a Town Hall meeting at the June conference in DC to discuss locals’ feedback on these broad issues and other topics that may emerge from the survey responses.
- Pending clear direction from the Town Hall meeting for additional and continued strategic planning discussions, appoint a Strategic Long Range Planning Task Force to develop a new strategic plan for the organization.