

# **Information Technology – Strategic Issues for Trade Associations**

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Trade associations are membership organisations that are in the business of accessing, using and disseminating information, and communicating with outside audiences. Information technology must be at the centre of their business.

## **Why information technology is important for trade associations**

The importance of information technology to a business depends on the nature of that business. For example, it is not critically important to a football club or sandwich bar. However the nature of trade associations means that it is critically important to them -

- Their customers are members with whom they have an ongoing relationship. The key people in the members and the nature of an individual member's business can change suddenly.
- Most of their members are located some distance away from the head office of the association. National associations are likely to have members throughout the country. Regular communication with members is needed but direct face-to-face communication is not practical most of the time.
- They need to access a wide variety of information from many different sources.
- The staff need to be able to share information.
- They need to communicate to the outside world.

## **Membership information**

Like any good business a trade association needs to have information about its customers. It needs to know which of its members have an interest in certain matters (for example production of a particular good or interest in exporting), to be able to contact specific people within members to seek or to provide information, and to be able to assess and demonstrate the value of membership.

For each member an association should have the following information –

- Basic contact information – address, telephone number, e-mail and website addresses.
- Details of the senior executives of the members.
- The areas of business of the member relevant to the association.
- The involvement of the member – membership of the board and committees, attendance at events etc.
- Subscription details – the type of subscription, current subscription (and whether it has been paid), and subscriptions paid in previous years.
- Contact with the member by letters, e-mails and phone calls. This is valuable in demonstrating the benefits of membership. It can be helpful, for example, to show that a member has accessed a database of information so many times during the year.
- Any views the member has expressed about the association, for example in surveys or direct communications.

- Notes of review meetings.

Ideally all staff should be able to access this information. However, there may be a case for limiting access to anything other than the basic factual information to senior staff. If all staff have access to all the information there must be very clear rules about how it can be used. Someone working for a company who makes a number of requests for information may not be pleased to find this reported back to his chief executive.

All too often such databases are up-to-date only at the point they are created. It is vital that such a database is properly maintained and someone in the association must have responsibility for this. This function cannot simply be reactive – recording information provided by the member. It must be proactive, noting and checking reports in the trade press and directly checking the information with each member on a regular basis. There must also be a proper system for ensuring that the necessary information from the association itself, such as committee membership and details of contacts, is recorded.

It is good practice for an association to publish a list of members. Traditionally this was in hard copy form, but the modern practice is for such a list to be available on the website only. What sort of information should be provided depends on the nature of the association and the sector it is covering. The minimum information should be the names of members with a link to the members' websites where they exist. Some associations may wish to provide more information such as basic contact details and areas of business. A comprehensive listing of companies in a sector will contribute to making the website a valuable resource for members and also for those who deal with the sector.

### **A gateway for business**

In some sector the membership database can serve as a gateway for new business that can be one of the most valuable benefits of membership. Whether this can be done depends entirely on the nature of the sector. It is most appropriate for specialist goods and services that are purchased infrequently. For example –

- The Public Relations Consultants Association offers a service called Preview that allows companies seeking a public relations consultant to enter their requirements and to be provided with a short list of names that they can then invite to tender.
- LAPADA, the Art and Antique Dealers Association, allows its database of members to be searched by postcode, town, county, period, name of business, artist and item.
- The Institute of Plumbing website can be used to search for a plumber by postcode.

### **Obtaining outside information**

Representational work is the defining characteristic of trade associations. One of the key raw materials for this work is information from other sources, in particular the government and regulatory bodies with which the association deals. Such information is now best accessed through the Internet. However, an association must know when documents are available that are relevant to it. This requires a proactive approach in monitoring appropriate websites and going on mailing lists to receive warnings about additions to websites. Official websites will also be a valuable reference source.

An association also needs to access information from other bodies, such as trade associations with similar interests, comparable trade associations in other countries and interest groups. Finally, representative work often requires detailed research, drawing on for example academic papers and reports from analysts and consultants. Again, proactive monitoring of relevant websites and joining mailing lists is necessary.

Such is the importance of the Internet for trade associations that broadband access is essential. However, access is not sufficient. Staff have to be trained in how to use the Internet to best effect and arrangements must be in place to stop misuse, a problem that many organisations face. An association needs a “chief information officer” to ensure that the Internet is used to its best effect.

### **Sharing information internally**

Teamwork is an essential feature of trade associations. Effective teamwork requires efficient use of information technology. All staff working on policy documents must have access to all relevant papers from within and outside the association. Internal e-mail is of course a good way of circulating information. However, as with other organisations there is a serious danger of e-mail overload with papers being copied to huge numbers of people and much time being wasted in assessing whether e-mails are relevant. This requires discipline.

Modern technology allows staff access to all relevant documents from anywhere. This facilitates home working and also increases the effectiveness of staff who are travelling.

All staff need access to information and documents which is now best provided electronically –

- The staff handbook.
- Forms, eg for holidays, stationery requests and expense claims, can be filled in and submitted electronically or printed off as necessary and completed.
- Templates can be provided for all types of documents. These should cover not only format but also to some extent content and can be used as a checklist. For example, the template for a policy response should have standard headings such as executive summary, key points and detailed comments.
- Agendas and minutes of the board and key committees.
- Membership of the board and all committees, working groups and panels.

The information should not only be available electronically but should also be easily accessible. This requires that the information is filed in a logical way, kept up-to-date and accessible through a search engine. Staff must be properly trained. Again, these tasks must be the clear responsibility of the person designated as the chief information officer.

### **Communication with members**

Before the advent of the Internet communication with members was often a tricky problem for a trade association. Associations were often criticised by their members for sending out far too much information but at the same time not always providing the right

information at the right time. Effective use of the association's website allows a new method of communication –

- A regular electronic newsletter with links to the website, in particular to additions to the site.
- All relevant documents being available on the website with an effective search facility.
- The maintenance of mailing lists for people interested in a particular subject.
- Discussion groups and bulletin boards on particular issues.

### **Committee management**

Electronic communication greatly facilitates committee management, although it is important for the method of communication to be considered by the committee. Use of e-mail can easily lead to sloppy communication with papers being sent out late and sometimes as a large number of attachments which may not be sensibly titled or numbered. This can lead to committee members struggling to find parts of documents. Because of formatting differences what one person may have at the bottom of P.3 another may have at the top of P.4 and a table or diagram may be split between two pages.

Members need hard copies of committee documents to bring to the meeting – and many people also much prefer to study a hard copy of anything longer than a page rather than read off a screen. Given that members will have to print out copies of papers individually it seems far more sensible for this to be done centrally and for everyone to have identical copies. Having said this, it still makes sense for documents to be circulated electronically as well so members can file them for easy reference, and of course late papers are best circulated electronically.

A more sophisticated approach is for each committee to have its own dedicated part of the website, accessible only to members of the committee. All papers, minutes, agendas and other relevant documents can be stored in a way that is easily accessible to members of the committee.

### **Managing representational work**

Representational work ranges from relatively minor one-off exercises to major issues of vital importance to the association's members that may run on for years. Larger issues should have a dedicated area of the website. This should have an overview paper with links to all relevant documents such as a government discussion document, responses of the association and other relevant documents, the government response to the consultation exercise, the government's white paper, ministerial announcements etc. Drafts of any association submissions can be put on the site and members invited to comment. The government itself now manages some consultation exercises in this way and it is logical for the association to do the same.

### **Member services**

Most associations offer a range of services to their members ranging from publications and seminars, to training courses, consultancy work and access to specialist advice, for example on taxation, employment or legal matters. These should all be accessible

through the association's website, ideally with online ordering of publications and booking of events.

Many associations offer services from partners through their websites. If the service is of value then this is a clear member benefit. The association may also benefit financially by receiving a commission.

### **Links**

Any trade association website must have a section for links to other relevant sites.

Typically these links comprise relevant government departments and regulatory bodies, other trade associations in Britain and abroad, other relevant bodies such as interest groups and professional bodies, and information sources such as the BBC and the *Financial Times*. A good set of links will enhance the value of the site to members and to others and makes it more likely that the association's site will be a first port of call.

### **External communication**

A trade association's website is now the first point of call for outsiders. A potential new member of staff will carefully study the website (and will expect to be questioned on it), a potential member will study the site, and journalists and officials wanting to know who the association's officers are or what its views are on a particular subject will use the site. A well designed site kept fully up to date will be immensely valuable to the association in getting its message across and will reduce the telephone, written and e-mail queries the association receives.

### **The IT needs of an association in summary**

It is helpful to summarise the previous section simply to illustrate the number and range of needs that have to be addressed by an association's information technology –

- Recording information about members.
- Recording contact with members.
- Maintaining a publicly accessible directory of members.
- Where appropriate providing a portal for members to get new business.
- Obtaining information needed for policy work.
- Sharing information between staff
- Communication with members
- Committee management
- Managing representational work
- Providing member services
- External relations.

This is a massive list and illustrates that IT is at the centre of a trade association's business. It follows that all relevant staff – in practice the vast majority of staff – have to be IT literate. The chief executive and the management team have to show leadership in this respect and there must be clear ownership of the IT function within the association.

A number of issues follow from the importance of IT. Trade associations traditionally were paper based organisations, and may still generate huge amounts of paper; the paper culture is still often apparent and never leaves some staff, who, for example, continue to

print out all e-mails and then treat them like letters or memoranda. An association has to decide how to integrate electronic and paper-based communication. An elaborate central filing system for paper and no arrangements for e-mails is unsatisfactory but not uncommon. Transferring all documents into electronic form is neither practical nor sensible. In practice, an association must have both paper and electronic records, and needs a clear policy on what is recorded in which media and the linkages between the electronic and paper systems. This is far from easy, particularly as electronic communication has grown so rapidly and in most associations, and other organisations, was well established before anyone gave any thought to filing arrangements.

There is always a danger that maintaining paper and electronic records will actually increase the workload because there will be duplication. Many organisations are poor at keeping their websites up-to-date, meaning in practice a reliance on paper communication. Association websites must always be right up-to-date. Press releases, policy papers and other documents should be on the website at the same time as they are released in paper form. Again, this requires discipline. This is an area where many associations are still deficient, although they are not alone in this respect. Similarly, information such as the directory of members, the list of officers and contact details must always be kept up-to date. Unlike paper records a once a year check is not sufficient.

Access controls need to be considered as part of the overall strategy. The problem is not a technical one – software systems can easily be configured to provide any controls that are needed. Rather, there are management and logistical problems. Most associations have a two-tier website – for the public and for members. Most allow open access to the public part; some require a registration process which generates a password and log-in name. The advantage for the association is that it can then record who is accessing its website. The disadvantage is that people forget passwords and may be deterred from using the site. Giving members a password is far from easy where the members are large organisations with many staff who legitimately should be able to access the site. There is a danger that not all relevant staff will have (or remember) the password and that therefore they will not use as the site as often as they should and therefore the association is less valued by them.

It is reasonable to assume that passwords do not stay secret for too long. Staff may pass on a password to companies or journalists with which they deal in the expectation of a return favour on another matter. An association should assume that the private part of its site is not very secure.

Having multiple access levels works better for the staff of an association than for the members. However, multiple access levels is generally not appropriate for staff. Where a website has passwords for particular parts of the site, such as a specific committee, then the problem is ensuring that the right people have and remember the password.

These are not insuperable problems but they need to be addressed as part of the overall strategy and not left to an administrator to determine. The strategy on access has to be to enhance the effectiveness of the association by making it easy for relevant people to

access documents that they are entitled to see; it is not difficult for the systems that are put in place to have the opposite effect.

### **Software systems for associations**

This paper deliberately has begun with an analysis of why it is important to trade associations and followed this with an analysis of associations' IT requirements. Every association should go through the same process, and only then consider what software it should be using.

It is taken for granted that an association will use Microsoft Office or another integrated package for spreadsheet, word processing and e-mail facilities. Because association staff will frequently need to circulate papers outside the organisation, and similarly will receive papers from outsiders, there is much to be said for using the industry standard products, in particular Word and Excel, and to a lesser extent Outlook and Powerpoint. Other software which an association will use is likely to be compatible with these programmes, and has probably been designed with them specifically in mind.

The needs of an association are broadly covered by two products –

- A contact management system which provides the necessary information about members, committees, staff etc. This should be an important management tool. It should provide instant information about the relationship between an association and a member which can be used, for example, by an executive knowing he or she will be sitting next to a chairman or chief executive of a member at a dinner, and can be easily printed off before an executive visits a member. The database should provide essential management information, for example about the characteristics of members, the involvement of members in committees, the breakdown of subscription income etc. The system should also be capable of being used to generate e-mail addresses or address labels for groups of members. The system should be able to provide the information about each member for the directory of members on the website.
- A communication system comprising a website, intranet and extranet. The ideal arrangement is one in which there is a single site but three different broad levels of access – staff, members and others. Within these broad levels there can be subdivisions, for example the management team, board members, members of particular committees and outsiders who have subscribed for a particular service. The access to papers can be changed as their status changes.

At any one time most associations are likely to have two different products with different degrees of appropriateness – a good contact management system but a poor communication system or vice versa. In all probability the two products have been developed differently by separate parts of the organisation – the administration department in respect of the contact management system and the external relations department in respect of the communications system. In many cases there is no link at all between the two products.

Whatever its current position every association, at fairly regularly intervals, needs to undertake a comprehensive review of its IT arrangements. The key decision then has to be taken as to whether to upgrade or install a new system for either contact management

or communication and the extent to which the two systems are linked. At the least there has to be some modest linkage even if it is done only manually. The ideal is for there to be either a single system or two systems effectively linked. This allows for example for a member to book places at a seminar on the extranet and for the information to be recorded in the contact management system, or for a member to access their complete records to obtain quickly an overview of the relationship it has with the association, or for the number of times a member accesses parts of the extranet to be recorded in the customer management system. Similarly, records can be kept about outsiders that may be helpful for future marketing.

Selecting a suitable provider for a website, intranet and extranet should be fairly straightforward as the requirements of trade associations are not greatly different from of other organisations and the market is very competitive. However, many associations have found themselves in difficulty with their provider for one of a number of reasons –

- The provider suddenly goes out of business.
- The provider fails to provide the promised service.
- Uploading new information proves to be very expensive.
- The website cannot be linked to the contact management system.
- The association does not retain ownership of the intellectual property.
- Terminating the contract is difficult.

These problems all arise from poor planning and management at the outset, again problems not unique to trade associations. Such problems are particularly like to arise when the website was originally not much more than an adjunct of the external relations department and subsequently proved incapable of keeping up with the requirements of the association. Ultimately, an association can simply terminate the contract of a website provider, perhaps at some cost, and commission a new website.

Associations have struggled much more with contact management systems. There are a number of reasons for this –

- Many associations do not have the expertise to manage such projects.
- The trade association market is small and the requirements of associations differ. The market does not have the mass needed to support more than a few high quality competitive suppliers.
- Even when the systems are installed some associations do not do the necessary staff training and impose the procedures necessary to ensure that they are used effectively.

Typically, such systems are module based, enabling an association to buy what modules it needs and add others a later date if the need arises. In addition to the core contact management module, modules can cover matters such as committee management, events, publications and campaign management.

Some software systems either include a website/intranet/extranet or provide effective integration. For example, if a member's website is accessed through the directory of members then the information is automatically recorded on the contact management database.

## **Management**

There is now no reason why even small trade associations cannot have effective websites/intranets/extranets and contact management systems, and many associations do so. However, the software on its own is of little use. It must be at the centre of the association's business, firmly embedded in all working practices. It must largely replace paper records and communication and not merely duplicate them. Systems must be in place to ensure that everything is kept fully up-to-date, ideally automatically, but for some subjects manually.

The obstacle to this happening is generally the chief executive or senior management, who may consider having a computer to be beneath them or who are simply too set in their ways to embrace modern technology. This is an area where leadership is essential. The chief executive must be involved in, and in most cases should lead, the development of the IT strategy and must be fully committed to it. The chief executive and the management team must set an example and not, for example, insist that all e-mails are sent to their secretary who prints them out, or if they want to access the central database they have to ask someone to do it.

Every association needs a person designated as "chief information officer" who must "own" the IT systems and ensure that arrangements are in place so that everything is fully up-to-date and that staff have the necessary training.