



Surveys of trade association effectiveness

By Mark Boléat
Director General, Association of British Insurers

Trade associations invariably believe that they are "doing a good job" and no doubt most can produce documentary evidence to back up this assertion in the form of letters from members, perhaps some of which have been solicited.

The really good trade association, like any good business, wants to know just how well it is performing. because there are relatively few good trade associations (compared with, for example, shops, not compared with the need for trade associations!) it is not easy for associations to learn from others how they can measure their effectiveness and how they compare with others.

This subject has been considered by a benchmarking club of large associations; this article draws heavily on the work of that club. It concentrates on conducting surveys of members as a method of assessing effectiveness.

The Purpose of Surveys of Members

The good trade association will seek to become ever more effective. This can be better achieved if there are objective measures of effectiveness. The usual financial ratios are not generally relevant to associations, although most will have financial targets.

Perhaps the best measure of effectiveness is the achievement of desired policy outcomes or delivery of services, but these can be very subjective. Here again, however, the good trade association will have an

annual list of targets and will do its best to measure performance against them.

Given the relative lack of objective tests of effectiveness, surveys should be an important instrument used by trade associations. Surveys can be conducted of members and of other "stakeholders", for example the media and civil servants. Such surveys should have four main purposes -

- To assess the overall effectiveness of the association.
- Where possible, to assess changes in effectiveness over time. This can be done either by asking questions on changes in effectiveness or by using similar questions for successive surveys.
- To compare the trade associations with other trade associations, particularly those to which the members of the association belong. Again, this can be done by specific questions or, on occasion, by using other surveys.
- To identify areas where improvements in performance are required.

Basic Ground Rules

It is essential that any survey of members or other stakeholders engenders confidence, particularly among the membership. A questionnaire drawn up by the staff, distributed by the staff

with results going to the staff and being analysed by the staff is hardly going to be seen as being objective.

Surveys must be independent of the staff of the association. This means employing outside consultants, and also that individual responses to the questions should be regarded as confidential. There is a problem here in that while there are many consultants, few have much knowledge of trade association. The consultants might be good in designing a questionnaire and in processing the results, but the secretariat are likely to have to play a significant part in framing the questions and in compiling the final report. Perhaps as more trade associations conduct surveys of their members, the expertise of the consultants will improve.

The governing body of the association also needs to play a major part in any survey. In particular, it should sign off the final form of the questionnaire and receive the full report from the consultants.

The Form of a Survey

Surveys can take different forms which are appropriate for different circumstances. One option is face-to-face meetings with members or groups of members, depending on the structure of the association. Such a survey is particularly appropriate

when a major review of the association is underway and perhaps significant changes are being considered. Points will come out in discussion that are unlikely to come out in a questionnaire. An experienced facilitator should be able to get a good picture of attitudes towards the association from such meetings.

The second option is a telephone survey. However, this is unlikely to be effective except in cases where the members of the association are all very small and there is one easily identifiable person able to deal with such a survey. Such surveys can, for example, be appropriate for professional bodies where the members are individuals.

However, in the case of a trade association for a large industrial sector, the members will be big organisations and no one person can properly respond to all questions.

For most associations, the appropriate survey method is a postal questionnaire. This can sometimes usefully be supplemented by meetings with, say, the larger members or with groups of members by region or by type of business.

The Questionnaire

Ideally, questionnaires should be fairly short, otherwise the response rate will be poor, and should be capable of being completed without

reference to other documents. What is being sought is an overall feel for the performance of the association. The key question to be covered in most surveys will relate to effectiveness. This can be framed as follows:-

"How effective do you consider the ABC association to be?:-

Very effective

Effective

Not quite effective

Not at all effective"

Where a trade association provides a number of distinct services or where members fall into distinct categories then the question can be sub-divided accordingly.

When a survey is conducted for the first time it is also helpful to get an indication of trends in effectiveness over the previous few years. This can be done by asking the question:

"Over the last few years has the association become?:-

Significantly more effective

A little more effective

Not changed in the effectiveness

A little less effective

A lot less effective"

It is also helpful to measure effectiveness in relation to other trade associations of which the members of the association are also members. The question to be asked is:

"How does the association compare in effectiveness as a representative body with other associations:-

Association more effective

Association similarly effective

Association less effective

(list relevant associations)"

A second useful series of questions relates to the importance or use of particular services especially where an association provides a wide range of services.

Finally it is helpful to ask a question about value for money. For example:

"Is the association?:-

Excellent value for money

Good value for money

Reasonable value for money

Marginal value for money

Poor value for money"

Beyond these basic questions, different associations will want to ask different questions. They may, for example, ask about whether specific services should be provided, whether the subscription basis is regarded as fair, how services are delivered and so on. However, it is important to remember that the longer the questionnaire, the lower is likely to be the response rate.

Securing Satisfactory Responses

One problem that associations face in doing surveys is in ensuring that the returned questionnaires properly reflect the views of the members concerned. Associations provide a wide range of services and no one person in a member company is able adequately to assess the performance of the association. To address this problem and to secure the maximum possible participation the following is suggested -

(a) It should be made clear to all the members that the survey has the full support of the governing body of the association and is regarded as a very important exercise.

(b) The questionnaire should be sent out by the association, preferably by the chief executive, with a covering letter.

(c) The questionnaire should be sent to chief executives but with the suggestion that they consult within their company before completing the questionnaire.

(d) The secretariat should chase up members to ensure the questionnaires are returned.

Analysing the Results

A good report of a survey of members will have a short, perhaps two page, summary of the key results. However, having received the results, how does one interpret them? If 51% of members say that the association is effective, is this a good score? Sadly, there is very little data available which will enable a trade association to assess what a good performance is. Perhaps a reasonable target should be an 80% score in terms of an association being judged effective or

very effective. Answers to questions on changes in effectiveness can normally be taken at face value, although it has to be said that only associations which are confident that they have become more effective are likely to ask such questions.

Questions about the performance of a trade association in relation to others should be capable of being taken at face value, although it is important to understand who has completed these questions. Companies tend to have a more favourable view of associations to which they do not belong rather than those of which they are members.

Using the Results

Based on the questionnaire, an association should prepare a plan of action to address points where performance is deemed to be less likely than satisfactory. There will may be one or two areas where effectiveness scores are much lower than the average. There may be a reason for this, for example that the members are not at all clear what it is they want,

or that there have been difficulties outside of the control of the association.

Conclusions

Every good trade association should regularly be surveying its members and also, where appropriate, government officials, the media and others to obtain an assessment of its effectiveness. The good trade association will be looking for an 80% effective score, but will also be seeking to identify those areas where there is room for improvement.

The trade association sector generally would benefit from exchanging information on surveys. There is no need, for example, to design a completely new questionnaire every time a trade association wants a survey. There is merit in using well tried questions that have been used by other associations. This also gives the advantage of enabling trade associations to compare, on a confidential basis, the results of their surveys. ■