



Hiring Your First AMC: Five Tips for a Successful Search

Selecting an AMC isn't a decision to be made lightly. But a few simple steps can put you on the path to choosing the AMC that's best for your association.

By Suzanne C. Pine

From membership development to meetings management and strategic planning, a board member's job is never done. Increasingly, volunteer leaders representing thousands of trade associations, professional societies, and charitable organizations are partnering with association management companies (AMCs) to help meet their association goals.

AMCs provide integrated headquarters and staff solutions for nonprofit organizations, allowing volunteer leaders to tap into expert support and management services, from day-to-day operations to specialized services.

To help find the most compatible AMC for your organization, AMC Institute, the trade association that represents the association management company industry, has outlined five simple steps for a successful AMC search.

Step 1: Prepare Your Request for Proposal

Finding the right AMC begins with asking the right questions. AMC Institute offers associations these helpful resources for preparing a request for proposal:

RFP template. An RFP template, located online at www.amcinstitute.org, suggests targeted categories—from association history and membership profile to scope of services and projected timeline—to articulate your objectives in bringing an AMC on board. By following the instructional text, volunteer leaders can easily input their organization's information and save the document as their own.

Sample RFP. Volunteer leaders are invited to check out AMC Institute's sample RFP, also accessible online, to reference the types and extent of information associations typically provide prospective AMCs.

Online RFP. AMC Institute has also developed a four-part online RFP, complete with step-by-step instructions. After plugging in an overview of their organization, volunteer leaders are prompted to outline scope of services and financial, meeting, and membership

details. To elaborate on specific strategic issues, they can then upload their own RFP document.

Step 2: Distribute Your RFP

Once you've packaged your RFP, the next step is to determine how to distribute the information.

You can hand select recipient AMCs by reviewing AMC Institute's online member directory, brimming with 150 AMCs. Browse all member AMCs alphabetically, or to narrow the search, set parameters by geographic location, size of AMC, accreditation status of AMC, client type, or management specialization.

To extend your RFP to all AMC Institute AMC members, save time and energy by routing your information via the online tool. Once your RFP is uploaded to the site, simply click "submit" and notification is immediately distributed to AMC Institute's 150 member AMCs.

Step 3: Evaluate the Proposals

As the proposals start pouring in, it's important to promptly acknowledge receipt of each one. This will give you a chance to reiterate your timeline, and it's always good business to communicate. A sample receipt letter is available online at www.amcinstitute.org.

After reviewing the proposals, hone in on your top three or four candidates. Rather than selecting a management firm on the basis of the written proposal alone, get in touch with the contact people provided to schedule an in-person meeting and presentation, with your full search committee in tow. Often the account executive who will serve your group is a part of the AMC's presentation team. It can also be advantageous to arrange to meet other staff; depending on the scope of services required, the AMC may bring in additional staff to properly serve your account.

Avoid scheduling more than three presentations on a given day, and allow enough time between presentations to permit discussion. A good rule of thumb is to build in about two hours per presentation, with a 15- to 30-minute break between them.

Following the formal presentation, institute a question-and-answer session. Prepare a standard set of questions to ask each presenting company so you can fairly assess their responses.

Here are some key points to consider:

Years of experience.

Client mix. What kinds of clients does the AMC currently serve, and what image(s) does it project? Does your group fit in?

Client loyalty. What is the average length of time the management company has served its clients? How many clients has the firm retained in the past three years?

Fees. How are fees determined and reimbursed expenses handled? Are commissions paid to the firm for certain services?

Negotiations. Does the firm negotiate with hotels and vendors for the members' benefit? Are all funds received from commissionable hotels and vendors applied to the association's funds?

Staffing options. Will individuals or departments be assigned to your organization? Can you meet with them in advance?

Capability and experience in the areas of publications, public relations, lobbying, legal, and account support, as well as problem-solving abilities.

Leadership. What is the business philosophy of the firm, and how has it demonstrated leadership capabilities? Has it helped establish new programs? What are the growth patterns of the associations served by the management company, in terms of membership, finances, and position within their respective industries or professions?

For additional information, ask for references. Your search committee may want to talk to a handful of the AMC's association clients. And it's always a good idea to request bank and CPA references.

At the close of each presentation, explain your decision-making process and communicate your expected decision date. If you anticipate further negotiations, share that information as well.

After hearing all presentations, your full search committee should deliberate and agree on one candidate AMC to recommend to your association's board of directors.

Step 4: Notify All Candidates

Each AMC has invested time, energy, and resources to present its qualifications and capabilities, so it's important to give notification of your decision promptly. When possible, offer specific feedback to all those who made presentations, and share your reasoning with those firms not selected. AMC Institute offers a sample decline letter online.

Step 5: Negotiate an Agreement

The final step is to negotiate an agreement with your new AMC, from terms of agreement to scope of services. AMC Institute offers a sample contract online but also advises consultation with a legal advisor.

To find out more about AMC Institute, its member AMCs, and the many benefits of partnering with an association management company, visit www.amcinstitute.org. ■

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