

Benefits of AMCs

Success for AMCs is completely contingent upon the successes they achieve for the associations they manage. That's why you'll find that AMC professionals are passionate about what they do on your behalf. At every level, AMC professionals are committed to your vision, your mission, your membership. They also concentrate on optimizing efficiencies, streamlining expenditures and keeping the organization on track toward long-term growth and achievement.

The fact is that AMCs can be a smart choice for many associations, because of the wide array of benefits and advantages they offer. AMCs deliver:

Operational & Staffing Benefits

- Staffing and services customized to meet each individual organization's needs.
- A broad spectrum of expertise covering all the disciplines required to run an effective association.
- Day-to-day and ongoing staff management, alleviating administrative headaches often faced by association Boards of Directors.
- Improved staffing and resource allocation, giving each association access to specialized resources – just what you need when you need it.
- Proven best management practices and best-of-class resources and technologies.

Financial/Business Benefits

- Efficiencies derived from leveraging shared resources, including office space, equipment and technologies.
- Improved buying power since purchases can be leveraged across multiple clients.
- Reduced business risks because an AMC takes on many of the insurance liabilities associated with operating an association.

Long-Term Benefits

- Greater member satisfaction resulting from the professionalism and responsiveness of staff who understand the importance of placing members first.
- Freedom from daily operations that allows Boards to maintain their focus on mission and strategy.

- Integration of innovative strategies and ideas, stemming from the input and experience AMC's gain from working with multiple industry and professional organizations.
- Scalability to accommodate organizational growth or contraction over time.

Four Ways AMCs Can Help You Maintain Your Strategic Focus

Running a trade association or professional society is often similar to running a for-profit business. The same questions need to be asked: How can the organization grow? Where will we find new "customers"? What positioning do we want for our organization with our target audiences?

Especially in a tightening economy, it is critical for organizations to revisit their strategic plan rather than automatically reduce programs and new member initiatives. Surviving the downturn doesn't have to mean scaling back. Instead, to stay on course for success, associations will be challenged to find new and innovative ways to add value.

High on the list of benefits of partnering with an AMC is the strategic specialization it brings. Seasoned executives with years of nonprofit management experience conduct a comprehensive organizational evaluation, offering strategic advice and best practices for moving forward.

Specifically, AMCs can help nonprofits:

- *Focus on quality and efficiency.* Of vital importance, AMCs lend an objective, third-party assessment.
- *Maximize and monitor revenue.* AMCs help prioritize staff time put toward revenue-generating and collection activities.

- *Keep the ideas coming to do more with less.* Because they work with multiple clients, AMCs facilitate idea-sharing among executives.
- *Continuously communicate value.* AMCs keep boards and committees informed.

To keep nonprofits on top of the trends and ahead of the curve, AMCs perform regular environmental scans. And looking beyond the current downturn, AMCs help organizations continue to plan for the future, surveying members to see if and how their needs have changed, and identifying new opportunities down the line.

Right-Size Your Staffing

When times are tight, efficiency is the name of the game. As you and your board begin to strategically evaluate your business model, pay particular importance to staffing. Assess whether you need full-time staff, 12 months of the year. Evaluate performance vs. demand, and employee maintenance vs. productivity. And look for over-specialization of job duties that may be leading to decreased efficiency.

To capitalize on time and energy, association management companies provide nonprofit organizations and associations with the expertise they need, when they need it.

AMCs customize client services, assigning staff specialists as needed to carry out specific goals. For example, a publications editor coordinates a monthly newsletter or annual report to keep members and donors connected to an association's work. An exhibits manager oversees the annual meeting and trade shows, working to gain maximum visibility among key audiences. Or membership specialists are brought in to enhance programming and build an association's membership base.

These specialists operate as an extension of association staff, delivering high quality services that align with and advance the organization's overall mission. Each association pays only for the services rendered, finding more value in concentrated, professional expertise. And by outsourcing functional areas, board members and executives are freed up to concentrate on strategic initiatives.

Enhance Your Buying Power

In a down economy, you're likely to hear heightened talk of the "value of money." It's not just about how much you have in the bank, but about buying power, as measured by the quantity and quality of products and services your organization can buy.

Stretching a dollar will get you so far, and of course it's important to identify and work to remove any gratuitous expenses. But in true association fashion, joining together with other organizations that have similar purchasing needs can effectively minimize costs and 'up' the value of your money.

Buying in bulk reduces service fees and purchase rates. Plus, pooled resources improve the ability to obtain goods and services, and boost negotiating power. The greater the volume of business, the greater the savings.

Associations and nonprofits managed by AMCs are able to leverage extensive buying power when it comes to meeting planning, marketing and communications, creative services and technology, among others.

Because AMCs are responsible for negotiating contracts with outside vendors on behalf of thousands of associations and nonprofits, they have developed vast networks of insurance providers, printers, meeting venues and more. By

working with these suppliers on a regular basis, AMCs often realize savings which are then passed along to their association clients.

Reduce Your Overhead Costs

Facility bills. Rent or lease payments. Public utilities fees like telephone service and Internet connectivity. Equipment maintenance. Copier and printer costs. Technology expenses. And the list goes on.

Overhead costs can put a small association or nonprofit under in this economy. To stay afloat, it's critical to develop a strategy for effective management of overhead costs. Where possible, ensure day-to-day expenses are part of a larger investment in organizational growth.

Operating within a framework of shared resources, association management companies provide cost-effective solutions to staffing, equipment, facilities and budget considerations. Overhead costs for professional services are shared across each AMC's clients, increasing association resources and capabilities, and strengthening each organization's return on investment.

At the end of the day, nonprofits can take saved money to the bank, reallocating those resources to fulfill strategic initiatives and further advance the association's mission.

How to Partner With an AMC

Conduct an Organization Audit

It is important for nonprofit leaders to periodically conduct an organization audit identifying areas that could be enhanced. For example:

- Are we delivering maximum impact for our members?
- Are our programs the right programs and delivered in the right ways?
- Are we current with our profession or market segment?
- Do we have the right people in the right positions?

Once you have completed an organization audit, your board should evaluate whether the existing staff has the skills, tools and time necessary to enhance these areas. If not, your organization can choose to go in one of two directions: hire additional staff, or partner with an AMC for specialized management services.

Become Familiar with the AMC Model

From day-to-day operations to select management services, AMC Institute's members are a valuable source of information and expertise to nonprofit organizations. Larger AMCs employ up to several hundred staff specialists, while smaller firms may have two or three professionals. What do they have in common? Across the board, AMC Institute AMCs provide a wealth of association management experience through proven best practices and shared resources. Because they manage more than one association, their skills and knowledge base are broad and substantial.

Prepare an RFP

Are you a consultant or association volunteer? If so, we have [resources](#) that will help you through the process of searching for a management firm. We

know that you have the important responsibility to make prudent choices for your organization.

Once you have read through the [resources](#) for consultants or association volunteers, you are ready to gather the information that is needed to fill out an online RFP. Utilizing our online RFP tool will enable you to reach our pool of members for proposals.

The process of preparing a Request for Proposal (RFP) is a process that will help your organization focus on goals and strategies of your organization.

After providing an overview of your organization, you'll be prompted to outline a scope of services including financial, meeting and membership details. Be as specific as possible, and avoid withholding financial information in the interest of trying to get a low-bid proposal.

Common expectations are critical to a successful relationship between an association and an AMC. To elaborate on specific strategic issues, your organization should upload its own RFP document.

When submitting your online RFP, make sure that you include:

- Request for Proposals
- Financial statements
- Strategic Plan (if your organization has one).

Additionally, we suggest making sure that the deadline for initial submissions is at a minimum, 3-4 weeks. This is to ensure that you receive thorough proposals that are tailored directly to your organizations' needs.

The more information you provide about your organization, the higher quality proposals you will receive and the less time you will spend vetting questions.

Distribute Your RFP

Once you've prepared your RFP, the next step is to determine how best to distribute the information. Use AMC Institute's online RFP service to solicit proposals from our highly qualified AMC members. You can also narrow your search by geographic location, size, accreditation status, client type or management specialization.

Evaluate Proposals

When evaluating proposals and interviewing AMCs for your nonprofit organization, consider:

- Years of experience
- Client mix
- Client loyalty
- Staffing options
- Capability
- Leadership
- Whether the firm has achieved AMC Institute Accreditation

Contact Us

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