North American Membership Strategic Plan

1 July 2012 – 30 June 2015

Driving Change in North America

For over a decade, Rotary’s global membership strategy has been primarily focused on increasing the number of new members brought into the organization. During this period, results have been inconsistent, with short-term membership spikes and a longer-term membership decline, leading to the conclusion that a membership strategy based primarily on acquiring new members does not produce sustained membership growth.

Since 1 July 2007 Rotary’s North American membership has declined more than 28,000 members (7.0%). Annually this region loses more members than are brought into Rotary. On average, annually almost 44,000 new individuals join Rotary clubs, while we lose an average of 51,000. Further, the attrition rate has increased over a four year period from 10.77% in 2007/08 to 11.95% in 2011/12. However, over this same period, annually, the number of new members who join Rotary clubs is relatively flat. Simply stated, Rotary’s North American decline is the result of losing members.

The recommendation of the North American Membership Planning team is that efforts starting over the next three years should primarily focus on increasing the retention rate, addressing the reasons why our members are leaving Rotary and increasing the relevancy, vitality and performance of our clubs, while making Rotary attractive to a wider range of qualified potential members. This plan considered initiatives that are currently underway in some North American zones, Ignite, as well as promoting the importance of the continued need for strong and vibrant clubs. This plan also supports and incorporates the priority and goals outlined in the RI Strategic Plan.

To produce longer-term, sustained membership growth, Rotary must primarily focus on increasing its membership retention rates, and then continue to build on our committed base when attracting new members and organizing new clubs.

To increase retention, this plan recommends:

- Defining Rotary’s “customer” as current Rotarians, and creating messages, leadership best practices, training and administrative and planning processes to focus club, district and zone level activities on this single concept.
- Identifying, defining and promoting Rotary’s “value proposition” to our members by increasing the focus on the significant benefits exclusive to membership in a Rotary club.
- Training leadership at all levels of the organization to complete an objective assessment of current member satisfaction and then implementing specific, actionable plans to increase retention. This effort needs to be supported with objective historical trends and data provided to the clubs, with specific tools that can guide clubs through this process.
• Training club leadership and providing appropriate resources to assess club practices, as well as developing and implementing changes to encourage and maintain strong and vibrant clubs.

• Helping clubs recognize that increased member satisfaction will create increased interest and demand among qualified potential customers to join Rotary and remain engaged in Rotary.

Although the primary focus of this plan is to increase retention, we must also provide increased resources, information and motivation to the clubs and districts to improve the attractiveness of their Rotary clubs to potential “customers”, or members, and to recognize new opportunities to increase the number of new members who join Rotary. Clubs must become relevant, vibrant, active and inviting to potential members.

To increase the attraction of new members, this plan recommends:

• Helping the clubs and districts to recognize the opportunities and benefits of increasing the diversity of our membership from qualified potential members. Key demographic areas to be included are those of female, age and ethnicity.

• Currently, only 46.7% of the North American districts charter a new Rotary club annually. Rotary should provide the motivation, information, tools and resources to help district leadership recognize the opportunities to increase the rate of new club development.

• Beginning with the planning and training preceding the 2013/14 Rotary year, we need to refocus, revitalize and reenergize the process of attracting new members into our clubs.

BACKGROUND

Attached is a chart, Exhibit A, summarizing North America membership over the past four years, and providing additional statistics used to calculate the plan’s objectives. The key findings from this review of data, provided by RI, are based upon semi-annual report (SAR) data over the past four years (2007/2008 to 2010/11) include:

• On average, Rotary has lost over 7,100 Rotarians each year in the North American region. This downward trend is the result of losing approximately 51,000 Rotarians each year, while only bringing in 44,000 new members.

• Over the past four years, our member attrition rate has increased from 10.77% in 2007/2008, to 11.95% in 2010/2011.

• In total, over the past four years, over 203,000 Rotarians in North America have terminated their membership.

PLAN OBJECTIVES

The objective of the North American Membership Strategic plan is to increase our membership by 30,000 over the three-year period to 400,000. The goal of 400,000 members in North America is based on maintaining North America’s current 31% share of the global member base as RI achieves the RI Board adopted goal of 1,300,000 total members by June 30, 2015.

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To achieve this objective, this region will need to increase membership approximately 7.9% from the forecasted 1 July 2012 starting membership of 371,000. This represents an increase of 2,600 Rotarians per North American zone, +200 members (net) for each of the existing 167 districts. On average, this would require each club to gain 4+ members (net) by June 30, 2015.

Further defined goals of this plan reflect these key strategic areas:

- Significantly increase the retention rate from the current 88% to 91.5%. This would reduce the annual loss of members from the current 51,000 to approximately 37,000. In total, we would expect to lose fewer than 125,000 members during the three-year period, “retaining” more than 28,000 members.
- To increase the number of new members joining Rotary from our current annual level of approximately 44,000 to more than 55,000 members.

Exhibit B provides specific goals, and the assumptions used in creating these goals.

Details:

**Plan Roll Out:** Recognizing the long lead time required to prepare and implement training and support materials, a staged roll out of the plan is recommended. During the 2012/13 Rotary year, the key focus will be on retention, which is the most critical issue in North America. To the degree possible, we will increase training, communication mediums and resources in order to help the clubs and districts assess the opportunities and advantages of increasing the diversity of Rotary, and in establishing new clubs.

Further, this plan recommends immediate efforts to fully integrate these strategies into the training and communication cycle leading up to the 2013/14 Rotary year. We recommend maintaining the focus on retention, but also to continue to encourage clubs to be more attractive to new members, implement change, increase diversity, and establish new clubs.

**Implementation of the Plan:** A critical piece of this plan will be the engagement and involvement of the respective RI directors to ensure success. Goals will be established for each zone for each year. Each director is responsible for achieving the goals for their zones. They should engage their respective zone leadership to train and motivate the district leadership, to manage the process and monitor the results. It will be essential to the success of this program that the Rotary coordinator and Rotary public image coordinator, in addition to zone leadership, work with district leadership such as assistant governors and district membership chairs, for training and implementation of these strategies, along with a focus on achieving the goals. Each director has the freedom to determine which strategies will work best in their respective zones.

**Member Retention:** In North America, our average, annual membership loss is approximately 51,000. The objective of the Membership Retention Program is to reduce the number of terminated members to approximately 37,000 members annually and no more than 125,000 members during the three-year period. However, beyond the three-year scope of the RI Board
adopted goal of 1.3 million, it is imperative that we maintain a long-term perspective, encouraging a lasting and fundamental change in Rotary clubs.

According to previous statistics, approximately 14% of terminated members left Rotary because of death or health/personal related reasons. This indicates that of the 51,000 members terminated, approximately 7,140 members leave for “uncontrollable” reasons. Our “opportunity” is to reduce the approximately remaining 43,860 members who leave due to “controllable reasons.”

To affect this reduction, the following summarizes the recommendations to be employed at the club, district, zone and secretariat levels. A detailed review of the plan is attached in Exhibit C.

- **Define current Rotarians and prospective members as our “customers.”** To support this definition will require senior leadership and the communications, training and messages from the general secretary to promote and acknowledge this concept.
- **Training on the importance of retention, the causes of membership loss, and supporting programs specifically targeted to providing greater engagement and motivation for members to remain in their Rotary club.**
- **Revise the calculation of annual club and district membership goals to include two components: (1) Number of new members and (2) Increase in existing member retention.** Similar to TRF goal setting, provide three to five year historical trends for both components so that clubs set individual goals based on actual historical club data. Ideally, this information would be included in ‘Rotary Club Central’ a tool currently in development to assist club presidents-elect in establishing goals and plans for their leadership year.
- **Encourage all clubs to use the newly developed Annual Member Involvement Appraisal instrument to ensure they are focused on individual member satisfaction, and actively monitoring member engagement.**
- **Focus on the concept of building and maintaining attractive and inviting clubs.** Clubs should assess themselves in terms of being attractive to prospective members by identifying the “value proposition” in being a member of a club.
- **Highlight the benefits exclusive to Rotary membership, including personal and professional leadership development, creating relationships, service, networking, opportunities for family member involvement, and other club attributes that support reasons to maintain one’s membership in Rotary.** An essential part of this strategy is to help the clubs recognize one’s members as the primary “customer” and that they are to be treated accordingly.
- **Focus on annual member assessment of the “values” of Rotary club membership.** Emphasis to be placed on the “value” that clubs provide their members, including the quality of our product (five avenues of service), customer satisfaction, costs associated with membership, engagement, etc. An integral piece of increasing the “value to our customers” is to help the clubs increase their relevancy and vitality.
- **Provide more and enhanced club assessment resources to the clubs including annual member satisfaction surveys, and training on how to interpret and use the survey results.** Clubs would be encouraged to conduct this survey every January so that the presidents-elect could use this information in creating a plan for the next Rotary year.
• Develop and implement a “club retention/growth measurement” instrument so that each club can establish club retention goals and track individual member retention, and thereby club growth. Ideally, this data could be included in ‘Rotary Club Central’ so that club leadership could quickly and easily monitor progress.

**Member Attraction:** Starting with the training for the 2013/14 Rotary year, this plan includes a focus on providing new resources, messages and structure to help clubs increase the number of new members. In North America, over the past three years, on average, approximately 44,000 individuals join Rotary. The objective of this plan is to increase the annual numbers who join Rotary to over 55,000 each year.

To affect this increase, the plan encourages implementation of the following strategies:

- Leveraging innovative and successful membership efforts currently taking place in a few North American zones.
- Securing buy-in and ownership from district governors, district membership committees and club leadership to support and establish goals to increase the induction of new members.
- Developing and distributing a resource to club leadership on the critical importance of bringing new members into their clubs and into Rotary.
- Focusing on benefits exclusive to Rotary club membership, including personal and professional leadership development, creating relationships, service, networking, opportunities for family member involvement, and other club attributes that encourage prospective members to become engaged in a Rotary club. Clubs should recognize members as “customers”.
- Capitalizing on the concept of building and maintaining attractive and inviting clubs. Clubs should assess themselves in terms of attracting prospective members by identifying the “value proposition” in being a member of the club.

**Diversity:** In North America, membership in Rotary is under-represented in key demographic segments (female, young professionals, ethnicity) of business leaders, professionals and community leaders. There are significant opportunities for membership growth by attracting higher levels of membership among our target audience (i.e., business leaders, professionals and community leaders) in key demographic groups: a higher percentage of qualified female, younger, and ethnically diverse members. A detailed review of the plan is attached in **Exhibit D**.

A critical piece of increasing diversity is to perform an objective assessment of Rotary relative to the communities we represent. Increasing diversity, however, is a two-part strategy – at the club level and at the district level. Clubs may, or may not, recognize or desire the benefits of increased diversity. Rotary’s effort with the clubs is to help them objectively assess if they reasonably represent the demographic diversity of the business, professional and community leaders in their respective communities. Separately, the larger opportunity may be at the district level where district leaders can perform the same assessment and initiate longer term strategic plans to increase diversity through new club development.

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• **Female:** U.S. Census data, and other sources, indicate that approximately 50% of the business, professional and community leaders are women. Currently, 24% of members in North America are women. A goal of this plan is to increase female membership in Rotary by 11% to 35%, over a three-year period.

• **Age:** Currently, the average age of a Rotarian is fifty-seven (57) years old. One of the objectives of this plan is to reduce the average age of a Rotarian in North America by five years to 52 years old over a three-year period. The primary tools that will be incorporated to achieve this objective will be to focus on the benefits of Rotary and how joining and engaging in Rotary can personally benefit the individual, their business and their family.

• **Ethnic:** Currently, Rotary is not well represented among our ethnically diverse communities, particularly in large urban centers of North America. U.S. Census data indicates that ethnic business ownership is increasing significantly among Hispanic and Asian populations, and that many other ethnic communities are rapidly increasing. An objective of this three-year plan is to help clubs and districts to objectively assess this opportunity and establish short to intermediate-term goals to increase diversity. Further, the plan recommends that the general secretary increase base line data on the ethnic opportunities facing North American clubs, the awareness and perception of Rotary among these groups, and ways to measure success in this area.

**Membership Committee Structure:** District membership committees should be structured as a committee, not one person. Headed by a chair, subcommittees could include membership development, focused on attracting new members; retention; and organizing new clubs. To accommodate significant distances or language, districts could organize more than one district membership committee. The responsibilities of the respective subcommittees would include training and working with the clubs on the individual areas of expertise as well as sharing best practices.

Club membership committees could follow a similar structure with a membership development subcommittee and a retention or member engagement subcommittee.

**New Club Development:** A key objective of this plan is to get every district to charter ONE new Rotary club in each of the next three years. On average, over the past five years, only 78 new clubs were chartered in North America, indicating only 46.7% of the districts are engaged in this process. Heightened awareness, through the North American Membership Strategic Plan, provides an opportunity to significantly increase the number of Rotary districts that engage in this process annually. Although the plan’s goal is one (1) new club per district each year, we recognize the challenge in reaching one hundred percent (100%) compliance, so the quantitative goal has been established to achieve eighty percent (80%) district participation.

The plan encourages the district membership committee to expand to include a subcommittee focused on organizing new clubs whose responsibility includes serving with the district leadership to identify areas within the district that are appropriate for the development of new clubs as well as assisting in the development of these clubs.
This plan recommends the general secretary and Rotary leadership provide additional training and resources to pursue this objective. New club development can be an effective and critical tool in achieving increased diversity, as new clubs can be developed to be relevant to a specific target audience, and they are not challenged with the historical cultures current clubs maintain. Potential new club opportunities are:

- Alternative meeting times and formats, such as no mandatory meal and associated costs. This has already been initiated with “New Generation” clubs, to great success.

- Club targeted at specific demographics: Younger members, ethnic clubs, etc.

- E-Clubs: The manual of procedure allows for up to two e-clubs per district.

- Weekend Clubs: These clubs can meet on weekends, at times that provide fewer conflicts with other commitments these members have, or, developed in areas where many potential Rotarians commute to larger cities for their work. A weekend club allows these potential members to make an impact in their own communities. Or, these clubs can be focused on hands-on projects during the weekend, with no meal included. This model has been successfully used by One Brick, which is an all volunteer organization that hosts very low membership fees, and has been rapidly expanding with chapters in twelve (12) major metropolitan areas and with approximately 50,000 members.

**Brand Revitalization Initiative:** It is noted that the organization’s leadership is currently in the process of assessing and discussing a branding, or brand revitalization project. It is assumed that whatever information or conclusions are obtained through this process that will positively impact the attraction of new members, as well as member retention, will be considered and included in future refinements of this plan.