

The Art of Doing Well by Doing Good

Whom do associations REALLY serve?

One often hears that the primary role of associations is to advocate on behalf of its members' interests. This oversimplification of associations' real purpose has undermined many associations' financial sustainability and ultimately its credibility as an advocate for the industry or profession it represents. An organization that primarily advocates for a particular constituency is a *lobbyist*, a for-profit activity that should be taxed. An industry group that uses its members' market or political clout to secure economic or competitive advantages for its members is a cartel whose leaders should be prosecuted.

Governments do not award tax-exempt status to associations to subsidize the creation of market distortions to the advantage the association's members at the expense of the public. Tax-exemptions are reserved to those organizations **whose activities create social benefits for all**. An association that fails to articulate how its activities benefit society as a whole and focuses only on the narrow interests of its members not only risks its tax-exempt status, it undermines its ability to gain the support of the general public that it inevitably needs to secure its advocacy objectives, which, in turn, often contributes to a hostile relationship with public agencies.

It's not WHAT you do but WHY you do it. All too often, associations define themselves by the products they provide their members: market/industry intelligence and research, magazines and newsletters, and workshops and conferences on current trends and best practices. After all, isn't that what members pay for? No. Dues are not a price members pay in exchange for a bundle of exclusive services. That would be a *subscription*. Dues are investments in a future outcome in which both their members and their members' customers both benefit.

The Association Inverted Beneficiary Pyramid

Kevin McCray, the executive director of the National Ground Water Association (Dublin, OH), developed what he calls associations' "inverted beneficiary hierarchy" to explain to incoming board members what the association's priorities and social objective need to be in order to successfully develop a viable market for its members. This tool graphically distinguishes the role of an association from that of a lobbyist. While a lobbyist works for his clients, an association's primary focus is not specific members but the markets that its members serve. By creating a vibrant, transparent, and competitive market that is more responsive to members' customers, the association will do what sustainably best and for its members in the long-run. While a lobbyist will seek its clients' immediate advantage at the expense of others, associations help their members by doing what is best for all. A growing market, of course, will reward the association with new members. Thereby, an association does well when it first does good.

A personal message from the Executive Director...

*I was asked the other day "What is the objective of what NGWA is trying to achieve?" That is a fair and reasonable question. I have explained this in our New Director Orientation for many years now. The answer is: **Public Health and Safety**.*

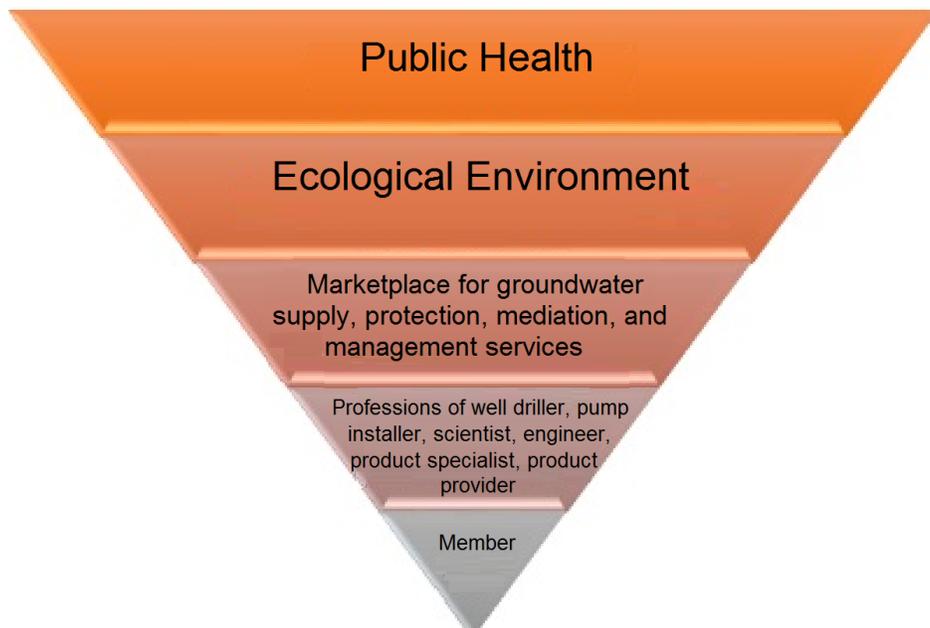
*We define our mission to be "to advance groundwater knowledge." But, why would we embark on such a mission? To provide and protect groundwater **to sustain mankind's livable environment**. By doing so, we will help to secure sustained growth, employment, and wealth for the groundwater industry and its professions, and for members of the National Ground Water Association particularly. But those member benefits are the consequence of our environmental stewardship – not our primary objective.*

To me, the fundamental reason for NGWA is the protection of public (human) health and safety. For instance, our voluntary certification programs, many of our best suggested practices, and our well construction standard are all about public health and safety.

Here's how I see what we are trying to achieve:

Man lives in a natural environment. As humans we must be conscientious about how we live in our environment and that means how we respect and care for it. Thus, environmental protection and awareness is our second driver, and again, some of our best suggested practices contribute to that, as do other things, such as the loop well guidelines. That's essentially what we say in our vision statement: To be the leading groundwater association by advocating for the responsible development, management, and use of water.

National Ground Water Association Beneficiary Hierarchy



In order to deliver these contributions to public health and safety and the ecological environment, however, we must have a viable marketplace that provides incentives to attract talent into the groundwater professions. All NGWA's members' professions exist within this marketplace. No one profession is greater in importance than the others. Therefore, our third driver is the health of the marketplace – not the commercial health of individual members.

We execute in the marketplace with the right products and services at the right time at the right price to sustain the growth and economic well-being of the National Ground Water Association as a not-for-profit business. To do so, our products and services must be driven by our central environmental mission.

Finally, the individual (i.e. member) is represented. The Association helps individuals meet the human needs of physiological comfort and safety through advocacy¹ that promotes our professional interests, for instance. It also helps us meet the human need to belong. Participation in the Association's works, such as task groups, committees, and boards, helps us meet legitimate and real needs for esteem and self-actualization - achievement, respect for and of others, problem solving, creativity, and more.

*As I've said before, we exist **to make things better for people.***

Kevin McCray, CAE, Chief Executive Officer, National Ground Water

They are, as he states, only a means of achieving better natural resource stewardship and not the raison d'être of the organization. Mr. McCray "advocacy" objectives are (in the order in which he presents them):

1. Improved quality of life
2. Efficient market signals for water users thorough transparent standards,
3. Development of high-skilled professional water resource managers through education and certification,

One should note that Mr. McCray never explicitly referenced public policy at any time. In fact, the means he cited to meet those objectives: research into identifying best practices, the creation of voluntary standards, supplier training and certification, and public outreach are controlled by the association and not left to the public sector. When he speaks of "advocating for the responsible management of water," he is refers to NGWA's public education and consumer outreach programs – not solicitations for government intervention. When you do what is right and win the public trust, you do not need government regulation to force behaviors. The public will support you willingly.

About the author: Since 2004, Richard O'Sullivan has been dedicated to helping civil society organizations around the world to identify, understand, and harness the forces of change transforming their stakeholders' markets and environments. For more information contact him at +1 410-793-5685 or rosullivan@harnesschange.net or visit our website: www.harnesschange.net.