

CACE ~ Regrouping in this Economy
December 2008

Below is a compilation of responses to the email question posed to CACE by B Staiger

Dec 17, 2008

Initial email question from Bonnie Staiger ~

(Responses from Debbie Burns, Diane Harp Jones, Mary Fitch, Paula Clements Lisa Richmond, Janet Pike, Nancy Jenner, Rick Bell,

CACE Discussion List

Subject: [cace-l] Regrouping in this Economy

CACE Colleagues

The following article just came across my desk from another association I represent. It prompts me to ask of we could we have a frank discussion here about:

- 1) what is the impact to your chapter,
- 2) what you are planning internally (that which you are free to discuss here) and
- 3) how you are strategically re-aligning member benefits to better reflect their needs and their current marketplace?

Follow-up email to CACE December 22, 2008

CACE ~ As Revenue Shrinks, Area Associations Forced to Cut Staff, Services

CACE Colleagues,

The same day I posed this question to all of you, I also sent it to the Exec's listserv of another national organization. That group is only state chapters—it has no local chapters. Fifteen different states responded—which is pretty high. As you might imagine, lots of hand-wringing, cutting back staff time, not filling positions, etc. But many offered really good ideas and I thought I'd share them with you.

~Bonnie

1. One state is offering to set up and maintain a listserv for member's support staff to share ideas, cost saving measures, increase sense of "team" effort and contribution to the firm. It is also seen as an opportunity for support staff to develop and/or reveal themselves as true professionals and spread their wings into leadership roles. Stringent guidelines are being developed.
2. One state is going to try "ReadyTalk" and webinars for new member orientation in hopes of better retention and enhanced value.
3. One state's Board/ExCom chips in money each year out of their own pocket to get holiday gift cards for the staff. Instead of a downturn this year, the board contributed more than ever.
4. One state is trying the idea of "selling" corporate memberships at a hefty rate which includes access to 3 Lunch and Learns per year. A member is always the presenter and gets a predetermined percentage of the fee (some obvious benefits for the member presenter.)
5. One state is including a flyer with second and third dues notices for renewals. The flyer provides an overview of the member benefits in a very quantitative way. Example, value of each CE hour over and above member cost.
6. One state is cutting short its next board meeting and board members will staff telephones to call members who have not yet renewed.

Links to other articles of interest sent from Bonnie:

Trade Groups Regroup ~

<http://www.washingtonpost.com/wp-dyn/content/article/2008/12/14/AR2008121401638.html?nav=emailpage>

Non-profits and the Economy ~

<http://www.blueavocado.org/content/and-now-something-different-about-nonprofits-and-economy-1109>

[Response from Debbie Burns, AIA Northern Virginia ~](#)

I'm taking notes as I read all these great ideas. Thank you so much for sharing.

AIA Northern Virginia is working to match up those who have been laid off with firms still hiring. We offer an online job board that is free for members. We are working with a member who has extra space to start a co-op where small firms can share resources.

We arranged for an economist from a local university to speak to our Small Firm Roundtable about the current state of the local economy and to share his insights as to future trends. He was then kind enough to write an article about the same topic for us. We used the article as the basis for an issue of our e-newsletter dedicated to the economy. For the next Small Firm Roundtable we are foregoing a speaker and just planning time for participants to talk about concerns and solutions. Just today I finalized a seminar for early 2009 that will focus on strategic planning and marketing during the recession.

Our board has discussed the option of asking for volunteer service from those who request dues waivers, helping our unemployed members network while helping the Chapter. We did not increase dues this year. As far as budgeting for 2009, we were conservative and did some aggressive cutting, but plan to revisit the budget every quarter and make adjustments up or down as needed. We are planning for a 20% reduction in income and a 17% reduction in expenses. To protect staff, the board voted to dip into reserves if needed.

Debbie

[Response from Diane Harp Jones, AIA Connecticut ~](#)

Like you each, we are spending sleepless nights thinking about how to weather this situation with our members.

We, too, are doing a series of programs on practice, employment, interviewing, resumes, etc. Additionally, we have three programs planned (one in January, one in February and one later in the year) with noted Economists in the State who will be sharing current, hard facts with our members.

Additionally, we have reduced our dues this year to maintain overall dues at the same level as 2008. We reduced our dues by the amount National increased dues to be able to maintain the same total. We have budgeted for a decrease in membership by 10%. We are working with any member who finds themselves in a difficult position to insure that they remain part of AIA Connecticut. We have budgeted for a decrease in sponsorship income by 15% and are holding our sponsorship costs at the 2008 level while working to provide additional benefits. We have budgeted for a decrease in income from documents by 15% (per suggestion by National). We are offered a 50% increase in FREE programming for our members so they can fulfill their continuing education requirements. (We always offer enough free credits that members can get their credits at no cost but most elect to attend other programming which is not free.) We, also, have space which is available to outside organizations for rent for programs and events and we are marketing this space (and feel much like a real estate office at times.) We see this as beneficial on several fronts....income being foremost but also as an outreach to others within the design and construction industry, interested arts organizations, other community groups, etc. We have reached out to all other major players in the design and construction industry and are working to lobby with 'one voice' this year. We are now offering our resume service at no cost. We do ask those firms who might hire someone as a result of our resume service to pay a modest \$250 handling fee to AIA Connecticut. (This is on the honor system.)

Additionally, I have, sadly, reduced the number of hours two of our part time staff members work. We will be not be increasing salaries for the remaining staff in 2009 and will be working to absolutely insure that we are able to provide job security for our excellent staff.

Hope something, somewhere in here might be helpful to others.

[Response from Mary Fitch, AIA DC ~](#)

We are reducing our budget by about 5 percent and doing a series of free classes on weathering the economy, like many of you. I have also been tasked by our board to work directly with our laid off members. I have a list of 40 now that I am trying to find jobs for. This has done two things –1)these members really value their membership and 2)totally tanked the income on our job board. Most firm principals who have jobs are dealing with me directly instead of going through the job Board. This also makes me rather annoying at holiday events (“How’s business? Do you need anybody?”) but so far its been a great experience for the Chapter. It takes a good chunk of time to do this and it is costing job board revenue, but our Board is totally behind it.

[Response from Paula Clements, AIA Dallas ~](#)

Thanks, too for all the great ideas. AIA Dallas is in the process of adding very similar information to our web site. We are hosting a Job Fair on March 5th and have scheduled two presentations two weeks prior, one "The Effective Resume", featuring a panel of firm principals, and "Effective Interview", featuring two executive search professionals. We are recruiting alternative job opportunities for the Job Fair, and pushing our ARE program for those who can use this time to work on licensure.

In the budgeting process, we reduced 08 dues revenue by 10%, both paper and EDS by 20% and are holding to 08 actuals on education and chapter programs. We have budgeted for more programs, but smaller at lower cost. We are aggressively marketing our Center for Architecture to ALL possible groups for rent. We were fortunate to lease available space at the new Center to allied groups and are still aggressively offering a virtual rental package to others.

[Response from Lisa Richmond, AIA Seattle ~](#)

Thanks to everyone who has responded with the things your chapters are doing. It's very helpful to hear and learn from the fantastic efforts underway in other cities.

AIA Seattle has created a web page for our members that lists all the things we are trying to do to help them through this economy: <http://www.aiaseattle.org/node/2277> The most popular items so far have been free classes and workshops on things like small business management and developing overseas markets, assistance with resumes and interview skills, a job share for firms hoping to lend out employees rather than let them go, and scholarships for all our major events. We've worked hard to provide regular, clear communication to our members about the changing economy and our efforts to support our members. We're also seeing this as an opportunity to invite and encourage higher levels of volunteer participation.

Regarding budgeting, we've projected lower revenues from most sources (although sponsorship actually seems to be up). In addition, we've built in a 10% contingency, and have pre-identified an additional 5% in cuts to make in April if it looks like we need them. We're focusing on keeping our talented staff in place, and using things like furlough days and voluntary reduced hours if we get into a situation of cutting staff costs.

Hope that's helpful

[Response from Janet Pike, AIA Kentucky ~](#)

Thanks, Bonnie and Nancy. I think we are all hungry to learn what others are doing to prepare for what promises to be a year unlike any other. I understand we will soon be receiving a summary of the changes in the national component's just-adopted budget, which should be an indicator of some of the things we should be looking at.

I will tell you that we are basically looking at a handful of things from a financial standpoint:

- 1) No dues increase for 2009 for state or local dues. We're also pointing out the elimination of national supplemental dues, which will impact few people in reality but the timing of this is good from the member messaging standpoint.
- 2) Budgeting for 5% reduction in dues revenue (5% below actual 2008 revenue). This is a total guess.
- 3) Budgeting our CE programs for 2009 on a break-even basis, instead of as profit generators, with the idea being to offer "at-cost" registration fees to members and continue to charge non-members the going rate. We see this as a strong incentive to maintain membership in 2009. We are looking for ways to bring in no-cost speakers/programs, such as the ITX workshops that have been successful for us in the past.
- 4) Budgeting for 15% reduction in documents revenue sharing, below 2008 actual revenue (per AIA's advice)
- 5) Budgeting most line items for programs and operational expenses right at 2008 actual numbers, and dollars are being shifted around to make sure our core programs are maintained
- 6) We have prioritized a small list of the first things we will cut if dues revenue is not tracking well by March. For instance, our fall planning retreat could be scaled back and held closer to home and we may cut my travel budget.
- 7) We do have solid reserves, thank goodness, and my officers appear willing to adopt a budget with a small net loss for 2009 as long as we remain conservative in our expectations and focus on maintaining value for our members.

Since we are a state component we will continue our strong efforts on advocacy in the state legislature and with state agencies. We have not made any adjustments to our convention projections yet, partly because in 2009 we are doing a regional convention with IN and OH that is, fortunately, in a very affordable, centrally located venue.

The strategies for state components are likely to be very different from local components, and I'd like to hear more ideas about what all of you are doing – would be nice to pass on some good ideas to my local chapter all-volunteer leaders.

Response from Nancy Jenner, BSA ~

What are we doing about the recession...

At the BSA we are focused on helping firms gently downsize, supporting them and the people they need to let go. In January we are starting a free lunch/career resource network meeting once a month... we are turning our January job fair into a job/career fair with alternative career options, education opportunities, etc. We are beefing up our website with resources, investing in our volunteer efforts to maximize underemployed designers skills and need to stay engaged in the profession. We are also hosting lots of open forums... in October/November we held four... one for large firms, one for sole practioners, one for small- mid-sized firms, one for unemployed designers and others. We invited a panel of experts, insurance folks, collections consultants, employment agencies, lawyers. What we learned was that every group had individuals who were very anxious and individuals who were optimistic and that bringing them together in one room created a positive experience (no one likes to be alone during hard times). Last week, we hosted a meeting of the residential design and construction industry associations (ASID, IFDA, NARI, the local NAHB chapter, CORA, NKBA)... this is a group we pulled together earlier in the year and there's a real interest and desire to work together in good times and bad and lots we can do to support each other including simple things like a shared calendar. Tomorrow, I am hosting a breakfast for sponsors and corporate affiliate members. I suspect we will talk a lot about the economy and how we can all work together to keep the industry as a whole afloat.

We are also working closely with our public policy/legislative advisors/consultants on recommendations for the state so that when our share of the obama money hits Massachusetts, design and sustainability are part of the investment.

We are watching the BSA budget closely and hoping that we don't need to dip deeply into reserves but also understand that reserves are there to support the organization so that we will be remain strong for when the next boom begins. Which it will !

I hope this is helpful... I'm never sure how what we do translates for others... would be happy to hear your good ideas too.
Thanks

[Response from Rick Bell, AIA NY ~](#)

Bonnie,

Thank you for asking the question. In less than 20 minutes we kick off a lunchtime "Not Business as Usual" Wednesday series on the impact of the changed economy on architects in our Chapter and others in the larger design community. Announcing this by e-mail on Monday of this week, so far some 85 people have sent an rsvp that they will participate in a discussion that will expand beyond the list of possible priorities attached and below.

I'll be happy to share additional notes about our discussion here in New York City, and the follow-up.

NOT BUSINESS AS USUAL

Below find 25 specific activities or actions that would make the AIA New York Chapter and Center for Architecture Foundation proactive about the problems faced by architects and others in the design community in a rapidly changing economy. They are meant to trigger discussion over what we can do and what our priorities should be.

Listings

- Job bank
- Job sharing
- Part-time work listing
- Space sharing
- Posting resumes

Training

- ARE preparation
- LEED training
- BIM training
- How to work with public agencies
- Help with resumes and presentations

Activities at the Center for Architecture

- Docents for exhibitions
- Audio guides and oral histories
- Walking tour guides
- Cataloguing library
- Digitizing Center programs

Positions

- Exhibition design at the Center
- Learning by Design teaching
- Research and mapping
- National Building Surveys (HABS) and building energy use surveys
- Working with partner organizations such as Habitat for Humanity, Architecture for Humanity, the Pratt Center and the City College Architecture Center

Programs

- Alternative careers and career options
- Volunteerism and IDP rules
- Design Corps and Americorps
- Future of the profession/role of the architect
- Competitions

