

## ASSOCIATIONS: A PROFESSIONAL JOB

BOTH NON-PROFIT ASSOCIATIONS AND BUSINESSES NEED TO BE EFFICIENT AND EFFECTIVE IF THEY ARE TO SUCCEED. THE PRINCIPLES FOR WHICH THEY ARE FORMED DIFFER FUNDAMENTALLY. BUT THE METHODS BY WHICH THEY FUNCTION HAVE MANY SIMILAR FEATURES.

TEXT JUDY WICKENS, VOLUNTEER AT THE UIA, RETIRED SECRETARY GENERAL OF T.J.C. (TANB.ORG)

The purpose of an association is for members to pursue an agreed aim in their general interest, but without making a financial profit. The ultimate objective of a commercial company is to generate a profit, by means of fabricating a product or supplying a service which can be sold to customers, so that the profit can be distributed to the partners or shareholders. Non-profit or not-for-profit associations are thus distinguished from the commercial sector, and from organisations in the public sector, funded by governmental authorities.

Although an association's budget should not be structured with the intention of making a profit, the result of its activities may be a reasonable surplus. An association which repeatedly incurs a loss will eventually fail, as members and staff will both desert it, although an occasional loss may cause its board to sharpen focus on the methods in use and revitalise the organisation.

### Income and expenditure

A surplus of income over expenditure is a good indication that membership has remained constant or increased, that activities have been well-attended, events supported, services appreciated. No surplus or funds of an association can ever be distributed among the members, as this would be contrary to the regulations governing such organisations, and to their own charters. So any surplus should be invested conscientiously back into the organisation to extend services to members, or be kept

carefully in reserve until required. Extra funds can be directed towards renewing equipment, increasing staff or expanding the scope of services to the members; however, it is vital for the association to carry along its membership with its ideas for expansion and for additional services - members who consider that their association is going in the wrong direction will be alienated and resign.

Both the board of direction and the staff of a not-for-profit organisation should bear in mind constantly the non-profit commitment, which is sometimes

signal that those in charge are not taking the necessary care in respecting regulations.

A commercial enterprise must never be disguised as an association, or



association can not be a pretence hiding commerce. In business, competition is essential to a free market. As well as the non-profit condition, associations are governed by further laws and regulations in place to prevent members colluding to fix prices or assign market share. Associations should always be fully cognisant of these limitations and the need for good governance, for the protection of their members. Many associations are composed of members which are in some way in competition with each other, and awareness of

difficult for the directors to remember if their role in a trade association is as 'volunteers' whereas their employment is in business. Association accounts which are circulated with the description of a positive result as a 'profit' should be treated warily, as this may be a

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and association-oriented sessions at international exhibitions increase in number every year, with topics whose relevance to association personnel improves constantly, too. Useful for both senior and junior staff, such events are valuable for sharing ideas, for networking, even for recruiting or being recruited. Senior personnel can utilise their own experience to work towards international certification as association leaders, enhancing their status.

the issues which can and cannot be discussed is part of the proper and professional conduct of the association.

The day-to-day functioning of an association has much in common with that of a commercial firm, naturally: staff members use their skills and knowledge to further the interests of their enterprise, utilising all their capacities of communicating, planning, reviewing, recording or collecting information. Further development and education are also important for people already engaged in both types of organisation, in addition to in-house learning.

### Seminars, conferences and sessions

Training possibilities for staff employed in non-profit associations are constantly evolving. Specific seminars, conferences

There is increasing scope for suitably focussed postgraduate qualifications, combining study and research leading to master's degrees. Appropriate education is also available at an earlier level, with undergraduate courses containing modules on non-profit finances or legal aspects, and on-line courses are on offer. Students of international law, for example, can make a satisfying career in public affairs comprising lobbying and advocacy in a non-profit sphere. Qualifying in business administration can be a stepping stone to association management. In the past it was common for executives or employees to find the association path by chance or coincidence, but present and future generations have greater opportunities to make a deliberate choice.

In both small associations and small-and-medium-sized enterprises (SMEs), staff

members need to undertake several roles and have a variety of skills, so applicants for either should consider this aspect seriously and be eager to for a diversity of tasks, especially since an interesting career can ensue. Knowledge of several languages, but particularly English, is worth acquiring.

If an association is run by unpaid volunteers, there is no reason for their attitude and methods to be unprofessional or amateurish, as they can benefit a good deal from workshops and events at low cost and from trips provided at no cost at all to the association participants when they are considered as hosted buyers.

New and small associations have the option of using association management companies to administer their secretariats, as an alternative to employing part-time staff and finding a small office space for themselves. Such companies provide an appropriate proportion of the time and services of skilled personnel, so that the associations are each run on a non-profit basis while the company is a commercial business making a profit. The services offered by such companies vary quite widely, as they may provide consultancy to commercial as well as non-profit organisations in different parts of their own product range. A number of association management firms have founded offices in the Asia-Pacific region in recent years or extended their coverage here, reflecting the increase in the number of associations generally in this part of the world.

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