CEOs keep pace with change as job demands keep coming

New and veteran leaders are cited for successes on many fronts

By Mark Tarallo

Three words describe the pace of the association CEO's working life these days: faster, faster, faster.

Or, alternatively, more, more, more. More information to process, more issues to confront, more IT tools to consider, more social media activity demanding attention, more regulations to monitor and more member expectations to fulfill.

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CEOs recall first time in corner office

Executives pass along advice gleaned from their early years of leading an association

By Walt Williams

Every association CEO has a rookie season, that one learning the ropes of heading a group. For Grocery Manufacturers Association CEO Pam Bailey, it was when she became head of the National Committee for Quality Health Care.

Bailey was recruited from the Reagan administration in 1987 to lead the organization. It was a small group that previously had only two staffers: a CEO and his assistant. Soon there would be only Bailey, as the assistant would move with the CEO to his new job after two weeks' help with the transition.

"I asked her if she could have, on my first day, a list of committees," Bailey recalled. But when Bailey showed up to work, "there was nothing on my desk." She soon learned that not only was it her job to contact members to tell them what they needed to do, but to remind them to send in membership dues.

"This was the stark reality of a trade association," Bailey said. "Association 101."

There are plenty of ways to train to become a top executive, but there are also some lessons that can only be learned on the job. Four veteran association leaders with prior CEO experience told CEO Update what they learned during the first few years in the corner office.

The answer for Bailey was that you had to constantly demonstrate your worth.

"The measurement of how well I did [was] if..." (Continued on page 8)
This year’s additions to the roster of top assoc-

Mark Allen
International Foodservice Distributors Association

Allen inherited a fledgling association when he was promoted to the top spot in 2004. The group, spun off from Food Distributors International, had a modest budget, small staff and little reserves.

Since then, Allen has built IFDA into an influential and well-financed association, increasing revenue every year and dramatically improving reserves. Member retention rate in 2013 is 99.3 percent.

One nomination for Allen cited IFDA’s active involvement in many coalitions and the group’s strong reputation on Capitol Hill.

IFDA has taken a leadership role in a multi-group effort, the Foodservice GS1 US Standards Initiative, which is implementing voluntary data benchmarks for the industry. This is a huge endeavor for manufacturers and distributors, and previous efforts to get support for standards adoption did not gain traction.

“Mark has made IFDA’s grassroots efforts a top priority and has made tremendous progress in this area over the past few years,” said a CEO who nominated him.

John Becherer
United Soybean Board

One could call Becherer a highly successful bean counter. As CEO of USB, the commodity research and promotion group based in Chesterfield, Mo., he manages oversight of the $100-million-plus budget funded by one of the “checkoff programs” designed to promote U.S. farm products (such as the “Got Milk” ad campaign).

Under Becherer’s management (he has led USB for 16 years), the program is paying off. Soybean prices hit record highs in 2012; soy products have provided the U.S. with one of the largest trade surpluses among farm commodities. A study conducted by independent evaluators found that $1 invested in the checkoff program resulted in a $6.40 return for U.S. soybean farmers.

Debra BenAvram
American Society for Parenteral and Enteral Nutrition

BenAvram has led A.S.P.E.N., which strives to improve patient care by advancing the practice of nutrition support therapy, since 2007. In that time, the group has increased membership, annual revenue and meeting attendance.

Still, BenAvram’s greatest accomplishments may be as a manager. Under a staffing philosophy she developed, called the “Circle Model,” every staff member takes responsibility for the organization’s growth. Departments work together to avoid silos.

“People love working for Debra,” one nominator said. “Several have worked for her for five years or more, and have overwhelmingly kind words to share.”

Donald Erickson
Security Industry Association

At SIA, Erickson made the transition from director of GR to CEO in 2011, and has been busy ever since. The group now has

more members, a higher profile on the Hill, more brand awareness within the industry and higher attendance at its Government Summit conference.

This year the group also introduced a new IT journal, and developed a partnership with an industry publication for a new webcast series on technology topics. Erickson also has given his staff more flexibility by changing policy to allow more work-at-home options.

Finally, Erickson gives back. “Don’s given generously of himself as an eager and always available mentor of staffers of other associations interested in successfully transitioning from advocacy work to a top association management position,” one nominator said.

Michael Gallagher
Entertainment Software Association

Few people get to work in offices that look as enjoyable as that of ESA, with video game stations as the first thing visitors see on entering the lobby. But behind the fun façade, Michael Gallagher is hard at work leading an organization that not only mounts one of the most high-profile trade shows in the country, but is tasked with defending an industry regularly criticized for a myriad of social problems, whether there is basis for the claims or not.

Among his accomplishments: the successful defeat of a California law that would have restricted video game sales to minors. “The ESA organized a wide array of voices to argue, in public and before the [U.S. Supreme Court] that the California law was unconstitutional and should be struck down, which it was,” said one nominator.
Donna Harman  
American Forest & Paper Association

Not every association success story is about growth. Some CEOs have to manage industry decline and transform their associations into smaller and more focused groups, and that’s what Donna Harman has done at the $22 million-revenue AF&PA in her six years there. Industry consolidation and increased specialization has reduced membership, cutting revenue virtually in half, and meant members had fewer things in common.

Companies in the forestry space have left, and Harman has worked with the board to remake AF&PA around a core manufacturing base while trimming programs that no longer made sense. The former top lobbyist for the organization has maintained the group’s effectiveness in the nation’s capital with fewer resources. “Donna’s sector is one that is in peril presently, but she has been able to transform the AF&PA in a way that ensured the viability of the organization,” said the CEO of a major association.

Chris Jahn  
National Association of Chemical Distributors

His work as president of the $3.6 million revenue NACD was so highly regarded that he’s been hired away to lead the $8 million-revenue Fertilizer Institute, where he starts Sept. 9. Jahn’s peers point to increased revenue, membership and political clout since he became head of NACD in 2006. The group’s membership revenue grew 71 percent to $1.9 million in 2012, according to its tax filings. Overall revenue has grown 30 percent. The association says the number of members and affiliates has risen to 426, up 29 percent from 331 in 2006. Under Jahn, a former Capitol Hill chief of staff, PAC receipts have increased to $277,000 from $16,000, and lobbying to $130,000 from $48,000. “Chris has led a team that has put NACD on the map on industry-specific issues like chemical security, [Toxic Substances Control Act] reform and transportation as well as broader business issues like taxes and labor,” one CEO said.

Joseph Ricci  
Textile Rental Services Association

Since his hiring in March 2010, Ricci has expanded, modernized and revitalized the $4.3 million-revenue TRSA on nearly all fronts. He is credited for member growth, both in new members and retention, and developing three certifications for textile industry companies and individuals. In his first full year in office, revenue climbed 17 percent and dues revenue was up 21 percent.

Under his management, TRSA’s political action committee’s receipts have grown from $21,000 in the 2007-08 cycle to more than $200,000 in 2011-12, and Ricci has rallied grassroots support to defeat bills in California and Washington that would have limited the market and increased expenses for members.

TRSA’s board of directors took the unusual step of publicly praising Ricci for his accomplishments in a 2012 press release that also announced his contract extension.

“Throughout his career, he has consistently helped organizations reach and exceed their objectives,” said a CEO colleague who nominated him.

Marty Saggese  
Society for Neuroscience

Saggese, who has headed SFN for 12 years, has led his group forward on multiple fronts, with significant increases in membership, annual revenue and meeting attendance. Under his leadership, the group’s flagship publication, The Journal of Neuroscience, has increased profitability, and its annual meeting is now one of the largest scientific gatherings in the U.S.

He even speaks Mandarin Chinese. “Saggese excites that rare combination of charisma, innovation, rigor and attention to detail … Few associations in the USA today can boast of such a leader,” one nominator said.

(Continued on page 18)
This year’s top association leaders

Oren Teicher
American Booksellers Association

Independent bookstores are dead? That’s not what Oren Teicher would tell you. His organization is quick to point out that his group’s membership has grown from 1,401 to 1,632 companies since 2009. And while it’s a relatively small association at just under $4 million in revenue, ABA hasn’t been afraid to take on retail Goliaths such as Amazon and Overstock.com, particularly concerning the thorny issue of Internet sales taxes.

“I can state for a fact that Amazon.com would not be collecting sales tax in any state in this country without ABA’s ability to organize grassroots lobbying efforts in the independent bookstore community,” said one nominator.

Under Teicher’s tenure, independent booksellers have been able to expand their reach into digital publishing through ABA’s partnership with the e-book reader company Kobo, and the CEO is praised for engaging his members one-on-one at forums across the country.

PARKINSON UNITES, ADVANCES ELDER CARE INDUSTRY

In just two and a half years at the $29 million-revenue American Health Care Association and the National Center for Assisted Living, former Kansas Gov. Mark Parkinson has healed a major rift in the senior care industry and improved its standing in the eyes of Congress, the administration and the Centers for Medicare & Medicaid Services.

In July, in a bid to increase lobbying clout, the association reabsorbed the $12 million-revenue Alliance for Quality Nursing Home Care, a splinter group of large providers that had left AHCA in 2005. A former association CEO and government official familiar with the industry said AHCA was plagued by weak leadership for decades and had suffered from the split between thousands of smaller providers and the larger companies. “He has taken one of the worst-performing trade groups in Washington and significantly restored its membership, standing and effectiveness,” the CEO said. “If anybody has done better in D.C. in the last decade, I missed it.” Parkinson also earns kudos for being trusted and liked on both sides of the aisle, even though he switched parties from Republican to Democrat and despite the fact that he came into the AHCA job with little Washington, D.C., experience. He launched a $2 million advocacy campaign called “Care Not Cuts” that helped the industry dodge Medicare reimbursement reductions in January as Congress was looking for ways to pay for the so-called “doc fix”—the yearly ritual in which funds are sought to avoid steep cuts in Medicare reimbursements for physicians.

It helps that Parkinson brings industry experience to the job. Earlier in his career, he and wife Stacy developed and managed 10 assisted living facilities in Kansas and Missouri before selling much of the business.

—William Ehart

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Effective leadership in all corners of association world
Large trade groups have no monopoly on accomplished CEOs; leaders of lesser-known outfits are recognized by their peers

By Mark Tarallo

In associations, CEOs of large trade groups with significant lobbying footprints on Capitol Hill often receive the lion’s share of media attention.

But nominations we received for this year’s Top CEOs issue were far more democratic. Accomplishments of leaders of smaller or highly specialized associations—groups that receive much less inside-the-beltway attention—were repeatedly recognized by peers. A sample:

- **Chris Cathcart**, Consumer Specialty Products Association—Worked with other groups to secure key legislative wins, such as passage and signing of the Pesticide Registration Improvement Extension Act.

- **Linda Church Ciocci**, National Hydropower Association—Under her leadership, the group had a rare distinction this year in polarized Washington: advocating legislation (promoting hydropower growth and project development) that passed the House unanimously.

- **Andy Doyle**, American Coatings Association—An unpretentious leader who has inspired great staff loyalty, he shepherded the group through a successful merger a few years ago, and ACA is now considered one of the best places to work in the association world. The group celebrated its 125th anniversary last year.

- **Cynthia Fornelli**, Center for Audit Quality—This former SEC official, and Bank of America executive, became the group’s founding director when it launched in 2007. She’s been a key presence for the industry since, meeting with regulatory leaders and testifying on Capitol Hill, and being quoted widely in the media.

- **Michael Martin**, National Wood Flooring Association—Martin joined NWFA in 2011, with the group facing a painful budget deficit. He moved forward with a series of substantial cuts, and now the group is projected to be in the black by the end of this year.

- **Sal Martino**, American Society of Radiologic Technologists—After pushing his group through tough economic times in 2009, he has led staffers to create new educational products and Web-based activities that enhance value for members. As a manager, he impresses his peers with his sense of fairness and humility.

- **Stuart Pratt**, Consumer Data Industry Association—The 28-year veteran with the group has steered CDIA through the turbulent waters of Dodd-Frank financial reform, as well as media criticism of members after the 2008 financial crisis. Well liked by staff, he also mentors younger leaders.

- **Catherine Rydell**, American Academy of Neurology—AAN’s experienced executive director (at her post now for 14 years) has led her professional association to new highs in membership, revenue and meeting attendance, and has beefed up staff in the group’s legislative and regulatory areas and strengthened its Capitol Hill presence.

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Past Due for a Membership Check-up?

Giving your members the opportunity to evaluate your association’s performance helps you to:

- Provide the programs, products, services and benefits they value
- Fine tune your current programs and processes
- Hone your messaging
- Understand your relevance
- Increase Member Retention

Loyalty Research Center studies identify where to focus your resources to meet your members’ needs and increase their value perception of your organization.

If you are ready for a member check-up, contact Tracie Mrakich – 317-466-5003; tmrakich@loyaltyresearch.com

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