



PROFESSIONAL BODIES

THE MANAGEMENT CHALLENGE

Professional Bodies are a breed apart when it comes to management.

Professional Bodies, Learned Societies and other representative organisations, are often relatively small businesses and therefore they should be relatively easy to manage. However, irrespective of size, they are in fact quite complex.

Professional Bodies are not all the same, of course, but there are some strong common strands which throw up particular challenges.

Professional Bodies are being squeezed by a number of factors conspiring against them. Indeed, their very viability is often under threat, partly because by their nature they are often poorly placed to react effectively to the pressures they face. To add to this, responding to these pressures requires having to confront a range of fundamental and often thorny issues.

Having normally been set up by a group of individuals as a means of achieving essentially altruistic objectives of advancing a profession and thereby bringing benefits to others, Professional Bodies are very often registered charities. However, whilst the objectives and associated social responsibilities may have remained fixed, the operating environment has not, and their traditional playing field is under threat of competitive encroachment from various quarters.

Being steeped in tradition, Professional Bodies tend to operate in traditional ways, with well established but sometimes cumbersome governance structures, administrative systems and staff organisation. This means that the operation is not very efficient and is not able to react quickly to the changing environment.

Given the somewhat qualitative nature of the objectives, success is not easy to judge, less still to measure, and taking a businesslike approach here is therefore not straightforward.

Many spheres of activity are governed by regulatory constraints which curtail an organisation's freedom to act in responding to the pressures.

In addition, the wide mix of stakeholders, plus the diverse range of business activities which usually flow from the objectives, makes for a complex proposition indeed.

Inherent in the above are a raft of competing objectives and interests which will typically include:

- **Resource Allocation Issues**
When resources are constrained there is always potential competition for money and human effort between:
 - activities directly concerned with advancing the entity's causes
 - overhead activities to do with managing the entity itself
 - activities directed primarily at generating revenue.

- **Quality Issues**
Another source of potential conflict is between income generation and the upholding of quality standards. Running qualifications programmes is a good example of this. Any compromise in the level or consistency of standards (and the robustness and integrity of the assessment process) in the interests of achieving short term commercial goals can seriously threaten long term success.

- **Stakeholder Issues**
Whilst the stakeholder mix will include a range of interested parties throughout the governance structure as well as many different external groups, often the biggest issue is how the interfaces work between
 - the Board (the Council, the Trustees)
 - the Members
 - the Chief Executive
 - the Staff (employees).

Summary

Professional Bodies face tremendous management challenges including:

- competitive threats and other economic pressures
- traditional operating methods
- performance measurement difficulties
- the regulatory dimension
- stakeholder management issues
- a diverse range of activities/businesses
- inherent constraints on freedom to act due to competing/conflicting objectives and interests

Practical ways need to be found to manage these potentially thorny conflict areas, which may sometimes seem almost irreconcilable.

A Chief Executive usually knows what needs to be done to move the organisation forward but is besieged by conflicts, knowledge gaps, competence gaps and financial and regulatory constraints, or feels dragged down by inertia resulting from cumbersome decision-making processes.

Sometimes the whole system needs to go through a “de-bugging” before any real progress can be made.

Oriel helps Professional Bodies to create the circumstances where they can deliver results, even in these turbulent times.

We work with Management Teams to develop revenue streams, create strategies to achieve the objectives and move the organisation forward.

For further information or an exploratory discussion,

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